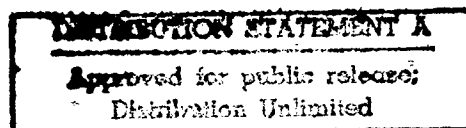


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# Southeast Asia Report

VIETNAM

TAP CHI CONG SAN

No 11, November 1985

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24 February 1986

## SOUTHEAST ASIA REPORT

### VIETNAM

TAP CHI CONG SAN  
No 11, NOVEMBER 1985

Except where indicated otherwise in the table of contents the following is a complete translation of the monthly theoretical and political journal of the Vietnam Communist Party published in Hanoi.

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## FRATERNAL FRIENDSHIP, COMPREHENSIVE COOPERATION

Hanoi TAP CHI CONG SAN in Vietnamese No 11, Nov 85 pp 1-6

[Editorial]

[Text] Along with the Soviet people and the laboring people of the entire world, our people joyfully celebrate the 60th anniversary of the great October Revolution.

In celebrating the anniversary of the October Revolution, we are celebrating the pinnacles of socio-economic and scientific-technical progress that have been reached by the Soviet Union under the leadership of the CPSU, a new style party, a party of revolutionary thinking and revolutionary action. The unparalleled achievements that the Soviet people have recorded in their cause of perfecting developed socialism are bright examples for those countries that are now building socialism and struggling for national liberation to follow. We are also celebrating the unity, solidarity, rapid growth and development and the stability of the socialist community, the pillar of which is the Soviet Union, celebrating the growth of revolutionary and other progressive forces in the world.

Besides these great joys, we are also heartened by and proud of the fine development that has taken place in Vietnam-Soviet friendship and cooperation.

Our party has pointed out: friendship and comprehensive cooperation with the Soviet Union "are a guarantee of victory by our people in their work of defending the fatherland and building socialism as well as a guarantee that our national independence and the position of socialism on the Indochina peninsula will be strengthened..."(1) Fully aware of the importance of Vietnam-Soviet friendship and cooperation, we do all that we can to make them increasingly solid and strong, increasingly fruitful.

Vietnam-Soviet friendship, illuminated by the thinking of the great October Socialist Revolution, by the thinking of Lenin, has deep roots and well established traditions and has been challenged in the various stages of history, both in times of violent war and times of peace. The October Revolution awakened Vietnamese patriots and brought Marxism-Leninism, the truth of our age, to the working class and people of Vietnam, thereby lighting the way to national liberation and social emancipation. During the country's

long night of slavery, Nguyen Ai Quoc, the first communist of Vietnam, found in Leninism the way to save the people, save the country. When he read Lenin's "Theses on the National and Colonial Questions," his joy was so great that he burst into tears. Sitting alone in his room, he said in a loud voice as if addressing the masses: "My abused and suffering fellow countrymen! This is what we need, this is our path to liberation!"(2) Possessing absolute confidence in the path of Leninism, he overcame countless difficulties, travelled to the Soviet Union, the homeland of Lenin, and, with that, laid the foundation for Vietnam-Soviet friendship. And, throughout his life of tireless revolutionary activities, he worked hard to constantly make this friendship a closer friendship.

Educated and trained by Nguyen Ai Quoc, Vietnamese revolutionary militants, even during the years and months of clandestine activities conducted in the face of the threats posed by the guns, bayonets and prisons of the French colonialists, found in the Soviet Union a tremendous source of hope, confidence in inevitable victory and strong inspiration. Considering the Soviet Union to be the home of socialism, to be the beautiful image of the Vietnam of tomorrow, Vietnamese communists have, from the very beginning, always considered protecting the gains of the October Revolution and supporting the Soviet Union to be their international obligation. And, also since the beginning, the fatherland of the October Revolution has always stood shoulder to shoulder with our country in all stages of the Vietnamese revolution. The founding of the Democratic Republic of Vietnam, the first worker-peasant state in Southeast Asia, was closely associated with the victory won by the Soviet people in the great patriotic war, the victory that defeated German fascism and Japanese militarism. The victory in the war of resistance against the French colonialists ushered in a new era in the friendly relations between the two countries of Vietnam and the Soviet Union. In July 1955, President Ho Chi Minh led a delegation of our party and government on the first official visit to the Soviet Union. During the negotiations held with Soviet leaders, numerous issues concerning Soviet cooperation and assistance were discussed with the aims of stimulating the economic and cultural development of newly liberated North Vietnam and making the North the solid foundation and base of the revolution in the South. The results of these negotiations took the form of agreements between the two governments of Vietnam and the Soviet Union, the implementation of which helped to make the plans set forth by our party a reality of life.

When the U.S. imperialists were waging their war of aggression against the Vietnamese, the Soviet Union and other socialist countries again stood shoulder to shoulder with us and lent our people wholehearted spiritual and material support and assistance with a view toward winning victory over the U.S. imperialist aggressors. This tremendous and effective support not only helped us to strengthen the country's defense capabilities but also made it possible for us to continue to build the economy under war time conditions. Evaluating Vietnam-Soviet friendship and cooperation during the years of the struggle against the U.S. aggressors, Le Duan said: "The party, government and people of the Soviet Union always stood beside the Vietnamese and never wavered from giving the Vietnamese wholehearted support and generous assistance, support and assistance that reflected the full measure of a noble international spirit"(3); and: "The total victory of the resistance against

the United States for national salvation would have been impossible without the strong support, without the very large, valuable and effective assistance provided in many areas by the Soviet Union."(4)

During the final years of the 1970's, the friendship and cooperation between Vietnam and the Soviet Union again reached a new level of development. The Treaty of Friendship and Cooperation between the Socialist Republic of Vietnam and the Union of Soviet Socialist Republics signed in November 1978 was an important event in the political lives of the peoples of the two countries. This historic document is not only of special importance because it has broadened the scale of Vietnam-Soviet cooperation in all fields and created the conditions for the peoples of the two countries to provide each other with greater support in the work of safeguarding peace and in creative labor, but is also of tremendous international significance. It is an integral part of the system of agreements that are considered to be the political-legal foundation of the fraternal alliance among the countries of the socialist community. It has helped to strengthen the unity and solidarity of the socialist community and is a dependable tool in the struggle to safeguard peace, the struggle for the security of all nations and the struggle for justice and equality in international relations.

The year 1985 witnessed a new event of special significance from the standpoint of Vietnam-Soviet friendship. It was the official visit of friendship to the Soviet Union by a delegation of our party and government led by Le Duan (from 26 June 1985 to 1 July 1985). This visit, which occurred as preparations were being made for the 6th Congress of the Communist Party of Vietnam and the 27th Congress of the CPSU, was a new, warm expression of Vietnam-Soviet fraternal friendship, was an extremely important milestone marking a stage of higher and broader development in the comprehensive cooperation between our country and the Soviet Union. Evaluating the results of this visit by Le Duan, M.S. Gorbachev, general secretary of the Central Committee of the CPSU, said: "Soviet-Vietnam relations have now reached a new level of development and become an integral part of the social life of the peoples of our two countries... The negotiations...confirmed that the fraternal relations between the Soviet Union and Vietnam, which rest upon a solid foundation that has been tested, the foundation of Marxism-Leninism and socialist internationalism, satisfy the basic interests and aspirations of the peoples of our two countries and are in the interest of world peace."(5)

The determining factors in the continuous development of Vietnam-Soviet friendship and cooperation are the complete agreement between the two parties and states of Vietnam and the Soviet Union concerning vital issues with which both sides are concerned in the building of socialism and communism and the close coordination of actions between the Communist Party of Vietnam and the CPSU based on a common ideology, on mutual respect and trust and on common goals in the struggle for peace, for the success of socialism and communism. This consensus is reflected first in the fact that the two parties and governments of Vietnam and the Soviet Union have a high evaluation of the achievements that have been recorded in every area by the people of each country under the leadership of their vanguard party. These achievements are eloquent proof that the line on socialist construction in Vietnam adopted by the Communist Party of Vietnam and the line on perfecting developed socialism

and building communism in the Soviet Union adopted by the CPSU represent the correct and creative application of Marxism-Leninism to the specific circumstances of each country. On the basis of this evaluation, the two parties maintain that exchanging experiences in party building in the fields of politics, organization and ideology and strengthening the ties between the two states are necessary and beneficial. From the standpoint of international issues, this consensus is expressed in the identical viewpoints we hold concerning the complex international situation today and the identical guidelines we have for resolving the most pressing questions of our times throughout the world and within each region. Our party totally supports the Leninist foreign policy of the CPSU and soviet state and welcomes the consistent line and the peace policy of the Soviet Union, which reflect nothing but good will and a high spirit of responsibility toward the destiny of mankind and have the aims of stopping the arms race, reducing tensions in the world caused by reactionary circles, headed by the U.S. imperialists, and moving mankind away from the threat of a nuclear holocaust. The CPSU emphatically supports the struggle of the Vietnamese, in particular, and the peoples of the countries of Indochina, in general, to defeat the schemes of the imperialist and hegemonist powers and fully supports the constructive line and practical measures taken by the Socialist Republic of Vietnam, the People's Democratic Republic of Laos and the People's Republic of Cambodia to improve the situation in Southeast Asia and create an atmosphere of good neighborly relations, trust and cooperation within the region.

One of the primary elements of Vietnam-Soviet relations is economic and scientific-technical cooperation. This cooperation has increasingly shown itself to hold large possibilities and potentials. In the present stage, our main tasks in this field are to "increase the effectiveness of cooperation, improve all bilateral economic relations on a long-term and planned basis, continue to develop the specialized production sectors and carry out mutually beneficial, goal oriented programs."(6) In the field of economic and scientific-technical cooperation, we are exceedingly moved by the fact that the Soviet Union has constantly provided Vietnam with increasing assistance in every area. The amount of economic aid received during the years from 1976 to 1980 equalled the entire amount received during the preceding 20 years. During the years from 1981 to 1985, the volume of economic aid doubled compared to the period from 1976 to 1980. Through the economic and technical assistance of the Soviet Union, we have been able to restore, enlarge or build more than 200 basic units in practically every sector of the economy. The Soviet Union has also helped us to provide college and post-graduate training for tens of thousands of scientific and technical cadres who are currently making their impact felt in all fields of work. In recent years, the Soviet Union has helped us to build 23 major national economic projects. Some 50 other projects are being designed and drafted. According to the joint Vietnam-Soviet declaration signed on 28 June 1985, the Soviet Union will continue to increase its assistance to our country in every area, especially economic assistance. It has extended us credit with preferential terms for the years from 1986 to 1990, deferred repayment of prior loans and will increase the exportation to Vietnam of goods important to the national economy, such as petroleum products, fertilizer, rolled steel and cotton. The Soviet Union will join Vietnam in concerted efforts to design and build projects of important significance to the economy and the development of



Vietnam's export base, which will include accelerating the exploration for and development of petroleum and natural gas on the continental shelf in South Vietnam; building oil refining and petro-chemical projects and nitrogen fertilizer plants based on domestic sources of petroleum and natural gas; building energy projects and machine enterprises; upgrading and increasing the transportation capacity of railroad lines; completing the economic-technical documentation for the construction of a metals combine; and beginning the construction of a 500,000 ton per year steel mill. In the commercial relations between the two countries, the Soviet Union will extend to Vietnam terms compatible with the spirit of the resolution of the High-Level Economic Conference of CEMA Member Countries. Economic cooperation between the Soviet Union and our country is projected to double in volume during the years from 1986 to 1990 compared to the period from 1981 to 1985.

As we celebrate the anniversary of the great October Revolution, we recall with deep emotion the words spoken by President Ho Chi Minh: "The more they remember the shame of having lost the country, remember each step in the revolutionary struggle filled with sacrifices and hardships but also glorious victories, the more the working class and people of Vietnam are impressed by the tremendous service performed by Lenin and the October Revolution." (7) Looking back on the decisive influence that the October Revolution had upon the birth of our party, on the tremendous influence that the victory of the Soviet Union over German and Japanese fascism had upon the August Revolution in our country and on the enormous, effective assistance that the Soviet Union has provided during the past four decades to our people in their cause of building and defending the socialist fatherland, we will forever feel boundless gratitude in our hearts to the Soviet Union, will forever hold beautiful revolutionary feelings for the Soviet Union, will forever maintain close solidarity with the Soviet Union.

We will make every effort to fulfill the agreements reached between the two parties and the two states, make the most effective use possible of Soviet assistance and cooperation and fulfill the obligations to which we have committed ourselves. Under the glorious banner of the Communist Party of Vietnam, we are determined to work hard to make our country grander and more beautiful, make our country worthy of being the solid outpost of socialism in Southeast Asia, thereby making positive contributions to the growth and strength of the socialist community, the pillar of which is the Soviet Union. Once again, we confirm that solidarity and cooperation in every field with the Soviet Union are always the bedrock of the foreign policy of our party and state. Our entire party and all our people pledge to do their very best to contribute in practical ways to strengthening the special relations and trust between the two parties and the peoples of the two countries and keeping Vietnam-Soviet friendship forever fresh and new, forever strong.

On this day of great joy that is the 68th anniversary of the October Revolution and from the bottom of our hearts, we wish the fraternal Soviet people even larger achievements in the performance of the tasks set by the CPSU: shifting the machinery of economic development to intensive development, renovating the structure of production, applying effective forms of management, continuing to improve the people's welfare and strengthening the country's defenses. We wish the Soviet people the successful completion

of the tasks set by the 26th Congress of the CPSU and the most brilliant achievements in advance of the 27th Congress.

#### FOOTNOTES

1. "Van kien Dai hoi V"[Proceedings of the 5th Congress], Su That Publishing House, Hanoi, 1982, Volume 1, p 145.
2. Ho Chi Minh: "Vi doc lap, tu do, vi chu nghia xa hoi"[For Independence and Freedom, for Socialism], Su That Publishing House, Hanoi, 1976, p 230.
3. Le Duan: "Doan ket va hop tac toan den voi Lien xo la nguyen tac, la chien luoc va tinh cam cua chung ta"[Uniting and Cooperating in Every Field with the Soviet Union Are Our Principle, Our Strategy and Our Sentiment], Su That Publishing House, Hanoi, 1982, p 37.
4. Ibid., p 73.
5. Address by M. S. Gorbachev, NHAN DAN Newspaper, 29 June 1985.
6. Joint Vietnam-Soviet declaration, 28 June 1985.
7. Ho Chi Minh: "For Independence and Freedom...", p 305.

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CSO: 4210/4

## AN EVENT OF GREAT IMPORTANCE IN THE CAMBODIAN REVOLUTION

Hanoi TAP CHI CONG SAN in Vietnamese No 11, Nov 85 pp 7-11

[Unattributed article]

[Text] The beautiful country of Angkor recently witnessed a political event of great importance. In the capital Phnom Penh, from 13 to 16 October 1985, the Kampuchean People's Revolutionary Party held its 5th National Congress of Delegates. Some 250 delegates from 22 local and sector party organizations throughout the country attended the congress. Following several days of intense work, days marked by complete unity within the party and proletarian international solidarity in abundance, the congress ended, a brilliant success.

The congress reviewed the remarkable achievements of the Cambodian revolution during the 7 years since the country of Cambodia escaped the genocide of the Pol Pot clique and intensely debated the situation and tasks in the new stage of the revolution. The congress adopted resolutions that are wholly consistent in content with the Political Report and the Proposed Amendments to the Party Statutes Report of the Party Central Committee. The congress elected the 5th Party Central Committee, which consists of 31 official members and 14 alternate members, with Heng Samrin serving as general secretary.

The brilliant success of the 5th Congress of the Kampuchean People's Revolutionary Party marks a new and important stage of development in the Cambodian revolution and strong growth by the party itself. The resolutions of the congress, which embody the intelligence of the entire party, will light the way forward for the Cambodian revolution and guide the Cambodian people to increasingly brilliant victories.

After examining and evaluating the situation of the Cambodian revolution over the past 7 years and reviewing the implementation of the resolutions of the 4th Congress, this congress deeply analyzed the schemes being carried out by the reactionaries within Chinese ruling circles, in collaboration with the U.S. imperialists, to oppose and attack the Cambodian revolution. Relying upon Thai reactionaries on the extreme right, these hostile forces have sought, by every means possible, to help the remnants of the Pol Pot army restore and consolidate their forces in order to fight the Cambodian revolution. The enemies of the Cambodian people have left no insidious or

cruel tactic untried in their attempts to change their battlefield position, encroach upon and occupy land and topple the People's Republic of Kampuchea. However, they have been tragically defeated. Throughout the past 7 years, the masses have participated in many different ways in the bitter struggle to protect the gains of the revolution and have won increasingly large victories. In particular, during the 1984-1985 dry season, in coordination with Vietnamese volunteer forces, the armed forces and people of Cambodia destroyed all the bases of the different Khmer reactionary forces along the Cambodia-Thailand border, thereby dealing the enemy a fatal blow and routing their forces in whole units. This victory marks the rapid growth that has been made by the revolutionary armed forces and national defense system of Cambodia.

The congress also had high praise for the victories won in restoring the economy and building the new culture. Through 7 years of reconstruction carried out under the leadership of the party, the country of Cambodia, having begun with a backward economy and small industrial base, the very foundations of which were destroyed by the Pol Pot butchers, thus overturning the entire structure of society, has recorded many achievements in every field, has relegated the scenes of devastation to the past, has brought a new and fresh look to every region of the country, the cities as well as the countryside. The economy is being restored and extraordinary changes have occurred in agricultural production. Strong development has taken place in the fields of culture, education and public health and the material and cultural lives of the people are gradually being stabilized and improved.

When viewed against the background of a country that still faces many difficulties following its escape from genocide, a country that must restore its economy and rebuild society while continuing the bitter fight against its enemies, the socio-economic victories of Cambodia assume even greater significance.

The congress analyzed the six basic factors behind the victories of the Cambodian revolution, factors that must continue to be strengthened and developed. These factors are: solidifying and expanding the National United Front; strengthening the People's Republic State; building and continuously strengthening the corps of revolutionary cadres; guiding the development of the economy, culture and education along the path of socialism; expanding and solidifying the strategic alliance among the three countries of Indochina and socialist international solidarity; and strengthening the leadership provided by the party.

Together with correctly evaluating the achievements that have been recorded in every area, the congress conducted an objective and scientifically based analysis of Cambodia's present situation in order to set forth appropriate and correct guidelines and tasks.

The congress pointed out that following the historic victory won on 7 January 1979, Cambodia concluded the national democratic revolution and entered the new era, the era of the country being truly independent and free and gradually building socialism.

One of the special characteristics of the situation is that because the Pol Pot regime pursued a policy of destruction, every gain made prior to 1975 was completely wiped away. Following liberation day, Cambodia was left with virtually nothing but its bare hands and a very underdeveloped and disrupted economy. As a result, in the shift to the new stage of the revolution, decades will be needed to bring the nation fully back to life, restore the economy, overcome the serious consequences of the genocidal regime and establish the foundations and conditions needed to gradually make the transition to socialism.

Another special characteristics of the Cambodian revolution today is that the country is simultaneously at peace and at war. It is a war that occurs in certain areas of the country and at certain times. The counter-attack against the revolution that the enemy is carrying out in Cambodia has taken the form of a war of encroachment, occupation and subversion, the aim of which is to abolish the people's republic, the system that all the people of Cambodia shed so much blood to secure. The enemy is employing not only military tactics, but also malicious psychological warfare tactics and the tactics of peaceful change in order to sabotage the revolution, corrupt the party's corps of cadres, create internal divisions within the party, divide the party from the people and undermine the solidarity and cooperation between Cambodia and Vietnam.

The ambitions of the enemy are very large, their schemes are very cunning. However, their position and forces are seriously eroding and cannot be rebuilt. Meanwhile, the position and forces of the revolution are constantly being strengthened and growing. International support filled with revolutionary affection has helped the strength that the Cambodian revolution itself possesses to grow. Today, the Cambodian people have truly become the masters of their country and are protecting the gains of their revolution. The final victory of the Cambodian revolution must be decided by the Cambodian people under the leadership of the Kampuchean People's Revolutionary Party.

On the basis of the objective situation and the special characteristics described above, the congress established the general strategic tasks in the current stage of the revolution as firmly defending national independence, building the Cambodian fatherland and gradually making the transition to socialism.

The congress defined the objectives that the Cambodian revolution must meet in the current stage as:

--Building upon the position of the revolution, both along the border and within the hinterland, weakening the enemy, routing them even more and inflicting greater defeats on them in each of their schemes.

--Building the real forces of the revolution in every field, especially the political, military and economic fields, so that they are solid and strong in terms of both their size and quality, are fully capable of developing upon the gains made by the revolution, winning victory over the enemy and defending and building a fatherland of independence, peace, prosperity and progress.

--Strengthening the revolutionary alliance and special relations between Cambodia and Vietnam and among the three countries and three parties on the Indochina peninsula while building upon the relations and the alliance within the community of fraternal socialist countries, the pillar of which is the Soviet Union.

As pointed out by the congress, the foremost tasks of the Cambodian people in meeting these important objectives of the revolution are to defend the fatherland and protect the gains of the revolution. The congress stressed: the entire party, all the people and all the armed forces of Cambodia must attach importance to building and strengthening the national defense system, to maintaining political security and social order. They must display a high spirit of revolutionary vigilance, fight well, maintain a high level of combat readiness, thwart each scheme and act of resistance of their various enemies, protect the territorial integrity of the beloved Cambodian fatherland and protect the life of peaceful labor, from the cities to the countryside.

As regards socio-economic restoration and development, the congress set the guidelines for the years ahead as making every effort to complete the restoration of the economy, reorganizing production and building a socialist system of education and a socialist culture; gradually building a national economy based on socialist production relations, an economy that has new, developed production capacity; developing agriculture, forestry and fishing into true strengths of the national economy through the four leading sectors of grain, rubber, timber and marine product production in close coordination with developing industry, developing consumer goods production and increasing the country's exports; gradually building material-technical bases for socialism and constantly improving the living conditions of the people.

To concretize these guidelines for socio-economic recovery and development, the congress adopted the first 5-year (1986-1990) socio-economic recovery and development program, which consists of seven basic tasks with the following targets:

--Increasing grain output at the average annual rate of 7 percent and achieving a per capita grain output of 350 kilograms per year.

--By 1990, completing the restoration of rubber production on 50,000 hectares and producing 50,000 tons of dried latex; harvesting 200,000 cubic meters of wood; harvesting 130,000 tons of marine products; increasing the total amount of area under the cultivation of jute to 15,000 hectares; raising total electricity output to 300,000 kilowatt hours by 1990; restoring, to a high level of quality, roads, water routes and rail lines; redistributing social labor; meeting and gradually stabilizing the essential needs of the people for food, clothing, shelter, transportation, education and health care, etc.

The congress clearly defined the specifics involved in the tasks of building the socialist culture and socialist system of education, molding the new, socialist man, building the public health and social sectors and carrying out scientific and technical development. It set forth important guidelines aimed at strengthening and increasing the effectiveness of the state and building upon the role of the front, the mass organizations and mass movements. It

also clearly stated the party's nationalities policy and the party's policy on religions.

As regards the party's foreign policy, the congress advocated continued adherence to a foreign policy of peace and independence, one that competently supports the efforts to defend and build the country of Cambodia as it makes its gradual transition to socialism.

The congress confirmed the need to strengthen and continuously build the traditional and strategic solidarity and alliance among the three countries of Cambodia, Vietnam and Laos on the basis of Marxism-Leninism and socialist internationalism, considering this to be a requirement of vital significance and a matter in the nature of a law in the stability and development of the Cambodian revolution and the revolutions of the three countries of Indochina.

The congress confirmed the need to make every effort to strengthen and continuously develop the solidarity, cooperation and mutual assistance in every field between the People's Republic of Kampuchea and the Soviet Union and other fraternal socialist countries on the basis of Marxism-Leninism and socialist internationalism and for the sake of the interests of the socialist community, of the international communist and worker movement. This is the foundation of the international line and foreign policy of the party, is the important international obligation of the party and people of Cambodia and is also one of the factors that guarantee total victory in the cause of defending and building the fatherland.

The congress also stated that the People's Republic of Kampuchea is ready to develop friendly and cooperative relations with neighboring countries in Southeast Asia and the world, is emphatically opposed to the malicious policy being carried out by the Chinese expansionists and hegemonists in collaboration with the U.S. imperialists and lackey reactionary powers and is ready to engage in dialogue and negotiations to resolve the issues related to the two groups, the Indochina countries and the ASEAN countries, thereby helping to make Southeast Asia a region of peace, stability and friendly cooperation.

The congress expressed complete support for the struggle of the peoples of Asia, Africa, Latin America and Oceania against imperialism, colonialism, both old and new, racism and so forth and the just struggle of the working class and laboring people in the capitalist countries. The congress also expressed its active support of the new, important peace initiatives of the Soviet Union and its emphatic opposition to the policy of aggression and the arms race policy of the bellicose imperialist powers, headed by the U.S. imperialists.

The congress considered building the revolutionary people's party to be an important task of decisive significance in the development of the revolution in Cambodia.

To complete the large tasks of the new stage of the revolution, the congress pointed out that it is necessary to continue to build the Kampuchean People's Revolutionary Party into a solid and strong Marxist-Leninist party that follows a correct political line, has a pure, solid and strong political,

ideological and organizational base, thus making it the vanguard unit of the Cambodian working class, possesses brave fighting spirit, possesses unquestioned loyalty to the interests of the working class and laboring people of Cambodia, possesses boundless loyalty to Marxism-Leninism and proletarian internationalism and has a truly strong and solid organization, one which guarantees that the party is very close to the masses.

The Communist Party of Vietnam and the people of Vietnam are exceedingly pleased by the success of the 5th Congress of the Kampuchean People's Revolutionary Party. We consider the congress to be an event of great importance not only to the Cambodian revolution, but also to the revolutionary cause of the fraternal countries on the Indochina peninsula. At the invitation of the Central Committee of the Kampuchean Revolutionary People's Party, a delegation from our party headed by General Secretary Le Duan carried to the congress the warm regards and the feelings of unshakeable militant solidarity of our communists and people for the Kampuchean People's Revolutionary Party and the fraternal people of Cambodia.

The brilliant results of the congress have warmed our hearts, have provided us with a source of deep inspiration. We promise to do all that we can to strengthen the militant solidarity and great friendship between Vietnam and Cambodia and among Vietnam, Laos and Cambodia so that they develop better with each passing day and are forever pure, forever strong. We promise to continue to fulfill our noble international obligation to the fraternal people of Cambodia and the fraternal people of Laos in the cause of national construction and defense.

We are firmly confident that, under the leadership of the Kampuchean People's Revolutionary Party, headed by the esteemed General Secretary Heng Samrin, the people of Cambodia will surely carry out the tasks set by the congress in an outstanding manner, firmly defend their sovereignty and territorial integrity and successfully build a Cambodia of independence, peace, prosperity, progress and a gradual transition to socialism.

7809

CSO: 4210/4



SALUTATORY ADDRESS BY GENERAL SECRETARY LE DUAN AT THE 5TH CONGRESS OF THE  
KAMPUCHEAN PEOPLE'S REVOLUTIONARY PARTY

Hanoi TAP CHI CONG SAN in Vietnamese No 11, Nov 85 pp 12-16

[Text] Dear presiding officers,

Dear delegates,

The delegation of the Communist Party of Vietnam is very honored and pleased to be participating in the 5th Congress of the Kampuchean People's Revolutionary Party.

On behalf of the Communist Party and people of Vietnam, we wholeheartedly congratulate the glorious party of you, our close brothers and sisters who have carried on the tradition of the Indochina Communist Party founded by the esteemed President Ho Chi Minh, for having tapped the ardent patriotism of the Cambodian people, won brilliant victories, toppled the imperialists and feudalists, won independence and freedom for its mission and made worthy contributions to the struggle against the common enemy by the three countries on the Indochina peninsula.

The historic victory on 7 January 1979 that crushed the Pol Pot-Ieng Sary-Khieu Samphan genocidal regime, the lackey of the expansionists and hegemonists, ushered in a new era in the country of Angkor, the era of the people of Cambodia truly being the masters of their destiny and advancing down the path of building a life of comfort and happiness.

The Political Report presented by General Secretary Heng Samrin is a graphic review of the comprehensive victories of the Cambodian revolution during the past several years and the valuable lessons and experiences and the new, strong growth of your party since the 4th Congress.

Under the leadership of the Kampuchean People's Revolutionary Party, the heroic Cambodian people, a people rich in talent and ardent patriotism, have performed a feat rarely seen in history by arising from the devastation of the terrifying scourge of genocide, overcoming countless difficulties and bringing their nation back to life. The country's economy is being restored. Development in the fields of culture, education and public health is strong. National defense and security are being strengthened with each day that

passes. The material and cultural lives of the people are gradually being stabilized and improved. The resounding victory won during the 1984-1985 dry season once again confirms that the advance of the Cambodian revolution is irreversible. Through its steadfast adherence to a foreign policy of peace, friendship and cooperation, the international prestige and position of the People's Republic of Kampuchea have been constantly heightened.

These large and comprehensive victories are living realities which prove that the line on building and defending the country adopted by the Kampuchean People's Revolutionary Party is correct and that the People's Republic of Kampuchea, which has been built by the people themselves, has the people's full trust and support. Despite the fact that hostile forces have been making every effort to distort the situation, in the eyes of progressive mankind, the People's Republic of Kampuchea remains the true representative of independence and freedom, is the genuine militant struggling for human rights in Cambodia.

The Communist Party of Vietnam and the people of Vietnam wholeheartedly congratulate you on the tremendous victories that the Cambodian revolutionary has won. We are very proud to have as our close comrades, as steadfast fellow militants the Kampuchean People's Revolutionary Party and the fraternal people of Cambodia.

Dear comrades,

Following nearly one-half century of struggle under the banner of the Communist Party of Vietnam, the Vietnamese, with the great victory of the resistance against the United States for national salvation, completed the national democratic revolution, reunified the fatherland and began the advance by the entire country to socialism.

During the past 10 years, in keeping with the line set forth at the 4th and 5th Congresses of the Communist Party of Vietnam, the Vietnamese have devoted the full measure of their spirit and forces to the two strategic tasks of building and defending the fatherland. Our people won victory over the war of aggression and are defeating the wide-ranging war of sabotage being carried out by the Beijing expansionists and hegemonists in collaboration with the imperialists. We have overcome the serious consequences of the war and have been carrying out the socialist transformation of the economy, creating initial material-technical bases, gradually advancing from small-scale to large-scale production and establishing the system of socialist collective ownership politically, economically, culturally and socially. We are approaching the 6th Congress of the Party, the congress that will present the tasks involved in advancing the country to a new stage of development and successfully meeting the targets of the initial stage of the period of transition.

The communists and people of Vietnam fully realize that every victory won by the revolution has stemmed from the strength of the nation combined with the strength of our times, has been closely connected to the special solidarity among Vietnam, Cambodia and Laos, to the large and effective assistance provided by the Soviet Union and the other countries of the socialist community, to the valuable sympathy and support of progressive mankind. On

this occasion, we express our sincere and deep gratitude to the peoples of the two fraternal countries of Cambodia and Laos, the great Soviet Union and our friends throughout the world.

As a nation that has known much pain and suffering as a result of wars of aggression, the Vietnamese desire peace more than anyone else. We maintain that the foremost task of the people of all countries today is to struggle to defeat the bellicose policies of the imperialist and reactionary powers that are seriously threatening world peace and the independence and sovereignty of nations, to struggle against the arms race, both on the planet as well as in space, in order to reduce and eliminate the danger of nuclear war.

We totally support the Leninist peace policy and the foreign policy based in principle of the Soviet Union. We heartily welcome the new, important initiatives presented by General Secretary M.S. Gorbachev to the President of the United States on the total banning of offensive space weapons, a drastic reduction in the number of missiles already installed, the cessation of all nuclear testing and the prevention of the militarization of space.

We strongly support the struggle by the peoples of Asia, Africa and Latin America for national independence and sovereignty, for a new world economic order. They must crush the acts of provocation by the imperialists against Cuba and block their hands in Nicaragua, El Salvador, Angola, Namibia, Lebanon and Afghanistan.

The policy of the United States and a number of bellicose militaristic powers of turning Asia-the Pacific into a region of political and military confrontation is making the situation in this region one of constant tensions. Vietnam emphatically stands with the Soviet Union and other socialist countries, with India and the nationalist countries within the region in the struggle to defeat this dangerous scheme. Asia and the Pacific must become a region of peace.

Now as always, the Vietnamese stand shoulder to shoulder with the peoples of Cambodia and Laos in the determined struggle for a Southeast Asia of peace, stability and cooperation. The strategy of using one country or another within the region to oppose the countries of Indochina has been defeated and will surely be completely defeated. The correct course, the path that is consistent with the interests and the survival of the countries of Southeast Asia is to end the state of confrontation and enter into negotiations to resolve the important issues among the parties in a constructive spirit, in the spirit of respecting the independence, sovereignty and the legitimate interests of each country without the intervention of foreign countries. These good will proposals by the Indochina countries are being responded to in a positive way by the concerned parties.

Vietnam, as well as Cambodia and Laos, has frequently expressed its desire to restore normal relations with the People's Republic of China at an early date. For the sake of our long-standing friendship with the people of China, for the sake of the interests of each country and the interests of peace and security within the region, it is our hope that China will cease its hostile actions and join us in resolving disputed issues through the course of negotiation.

Dear comrades,

Throughout the course of the long struggle for independence and freedom, the three fraternal nations of Vietnam, Cambodia and Laos have stood shoulder to shoulder, have lived and died together in the fight against the common enemy, have won victory after victory. The fraternal solidarity and friendship that the great President Ho Chi Minh worked so hard to cultivate and which have been built by the flesh and blood of many generations have become a special very pure and loyal relationship, become a priceless asset in the political and spiritual lives of the peoples of our three countries. The enemy will leave no tactic untried in their attempt to divide and weaken the militant alliance of the three nations in a vain attempt to enslave and annex each country. However, the more deeply involved in crime they become, the more tragic their defeats will be.

Today, the militant solidarity among Vietnam, Cambodia and Laos is more solid and stronger than ever before. The February 1979 Treaty of Peace, Friendship and Cooperation between the Socialist Republic of Vietnam and the People's Republic of Cambodia and the February 1983 declaration of the High-Level Conference of the three Indochina countries are important milestones marking a new stage of qualitative development in the special relations between Vietnam and Cambodia and among Vietnam, Cambodia and Laos.

These special relations, as facts have proven, are a law in the development of the revolutions of the three countries and have been a determining factor in the victories of each country in the fight for national liberation and the fight to defend the fatherland as well as in peace time construction. And, the growth of the revolutions of the three countries of Indochina is a factor helping to guarantee peace, national independence and social progress within the region and the world.

The Communist Party and people of Vietnam promise to do all that they can to strengthen the militant solidarity and great friendship between Vietnam and Cambodia and among Vietnam, Cambodia and Laos, to continue to fulfill our noble international obligation to the fraternal people of Cambodia and the fraternal people of Laos in national construction and defense.

We are firmly confident that the Cambodian people, under the leadership of the Kampuchean People's Revolutionary Party and standing in tight ranks within the united front to build and defend the Cambodian fatherland, will surely excellently carry out the tasks set forth by the congress, firmly defend their sovereignty and territorial integrity and build a Cambodia of independence, peace, prosperity, progress and a gradual transition to socialism.

I wish the 5th Congress of the Kampuchean People's Revolutionary Party brilliant success!

May the militant solidarity and comprehensive cooperation between the two parties and peoples of Vietnam and Cambodia and among the parties and peoples of the three countries of Indochina live forever!

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## THE RESOLUTION OF THE 8TH PARTY PLENUM AND THE URGENT TASKS IN THEORETICAL WORK

Hanoi TAP CHI CONG SAN in Vietnamese No 11, Nov 85 pp 17-23

[Article by Nguyen Duc Binh]

[Text] The resolution of the 8th Plenum of the Party Central Committee is a resolution on prices, wages and money. However, its importance and underlying significance go beyond the scope of prices, wages and money. While making a breakthrough in the field of prices and wages, the resolution of the 8th Plenum essentially marks the first step in the process of fundamentally changing and improving the socio-economic management strategy in our country.

Therefore, the resolution of the 8th Plenum provides specific solutions to specific, pressing problems in life today and sets the long-term strategic direction for all activities of our party and state in socio-economic management. As a result, the resolution of the 8th Plenum faces those who are engaged in theoretical work, in the research of theory as well as the teaching of theory, with exceedingly large tasks.

Our corps of theorists faces a dual task. On the one hand, theoretical work must first be oriented toward shedding light on the scientific and practical bases of the resolution with the aim of helping to give the entire party and all the people a thorough understanding of its contents and, in this way, build the confidence and will needed to inspire revolutionary actions by the masses to insure the resolution's successful implementation. On the other hand, the resolution itself, and certainly the process of implementing the resolution, demand that theoretical work be broader in scope. The resolution faces those engaged in theoretical work with a host of issues of a fundamental, universal and long-range nature. The purposes of researching and shedding light on these issues are not only to give everyone a thorough understanding of the resolution right now, but also to help build the theory needed for the formation of the new economic system, for the establishment of the new management strategy.

Among the many issues of theory raised by the resolution of the 8th Plenum, it is first necessary to discuss the task of thoroughly criticizing bureaucratic centralism and subsidization. Today, there is probably no one who still disagrees with the need to dismantle this system. However, this does not mean

that it is no longer necessary to criticize the old. In fact, if the old is only criticized on the surface but its inner nature is not exposed, if it is only denounced from the standpoint of its consequences but not analyzed from the standpoint of its origins, if it is only viewed as a purely accidental phenomenon and only denounced, even if with full moral indignation, the problem still has not been thoroughly resolved. "Thorough means knowing a thing down to its very roots"(K. Marx). Therefore, theoretical work must, by means of persuasive scientific arguments, reveal in a way that is both comprehensive and systematic the nature, the origin and the economic, social, political and ideological conditions that gave birth to this situation, reveal the harmful consequences of the old management system and--this point is very important--reveal the course that must be taken to overcome these consequences.

The old must be thoroughly criticized because, whereas it has an historic cause as the unavoidable product of a "war time socialism," its existence for a period of several decades has created a formidable inertia in our thinking and approach to economic work, an inertia that cannot be eliminated all at once. Moreover, it is not a simple or easy process by which the new is born to replace the old. The resolution of the 8th Party Plenum only sets the direction that the new management system will take. Many years will be needed to fully define and perfect this management system. In this process, exploratory steps and experimentation are unavoidable. There will be successes but there will very likely also be problems, even mistakes which require that we do things over. With each time that this happens, it is difficult to prevent some persons and units from wavering, from falling by the wayside and returning to the old way of doing things, to the old familiar approach. This is why this party plenum resolution very strongly stresses the word "thorough" in combating bureaucracy and subsidization. Our approach can and must be divided into stages but we must be decisive and thorough in our views, guidelines and targets. Thoroughly liberating our thinking from the old, this task can only be performed by theoretical work that is carried out in a truly scientific manner.

Criticizing the old, despite how important and necessary this is, is still secondary to establishing and arguing for the new. This is the most difficult, but also the most decisive, task we face. The adoption of the new management system raises numerous complex questions that must be addressed in theoretical work. The resolution of the 8th Plenum itself is an advance by the party in the field of theory, is a milestone marking a major step forward by our party from the standpoint of learning and applying economic laws. However, this does not mean that there is no work to be done in the field of theory.

Shifting completely from the old management system characterized by bureaucratic centralism and subsidization to the new system based on economic accounting and socialist business practices demands that very many matters be clarified from the standpoint of theory. Prices, wages, the market, commerce, finance, monetary affairs, banking and so forth, not one of these is a simple matter. And, concerning each of these matters, life is urgently demanding specific answers, specific solutions, specific policies and positions, specific regulations and rules. However, concerning each of these matters,

there is also a need to clarify the concepts that are our starting point, to shed light on those aspects that relate to theory and methodology. Without these guidelines, we cannot set the correct direction for specific solutions and decisions. Lastly, whether we are talking about prices, wages, money and so forth or about economic accounting and business practices, all of these categories belong to one larger category--the category of the relations between goods and money, of commodity production and the law of value under socialism, especially during the period of transition to socialism. These matters have thus become more complex: the urgent and the immediate have become intertwined with the basic and the long range; the particular has become intertwined with the general; the living, the concrete cannot be separated from the abstract, the theoretical; one problem cannot be resolved without immediately affecting something else, etc. Moreover, special attention must be given here to an extremely important argument made by V.I. Lenin: "Anyone who turns his hands to specific problems before resolving problems of a general nature will, unavoidably and without knowing it, 'run into' these general problems with each step that he takes. And, blindly dealing with these problems on a case by case basis means that one's policy will be brought to the point of the worst possible kinds of vacillation and lose all basis in principle."

Subsidization is the direct opposite of economic accounting and socialist business practices. Economic accounting and socialist business practices are based on recognizing the existence of the law of value and recognizing the relations that exist between goods and money. It is impossible to practice economic accounting without using the various categories of value relations. Thus, the very shift in the direction of economic management strategy brought about by the 8th Plenum of the Party Central Committee demands that we shed light on the matter of basic theory: the relationships between goods and money and the law of value under socialism, especially during the period of transition. This is the issue that is most complex. There is perhaps no other issue in economic theory concerning which so many differing opinions exist: it is an issue that has been the subject of lengthy debate virtually since the beginning of real socialism, debate that still continues today. So complex is this issue that it can be said that the level of scientific development of socialist political economics depends, to a significant degree, upon clearly defining the fate of commodity production and its laws under socialism.

In the history of real socialism, there was a rather long period during which the existence of commodity-money relations and the law of value was denied. Then, the pressure of reality forced their existence to be recognized, but this recognition was cautious, was gradual and partial. For example, it was only recognized in form, only recognized as existing within the narrow scope of the production of the means of consumption, only recognized on the enterprise level or only recognized as being limited to the period of transition, etc. Finally, in the 1960's, following long debates and especially on the basis of the practical experience that had been gained, it became increasingly clear that ignoring the law of value as well as the other objective economic laws opened the way for subjectivism in planning, in organizing economic life and in practical, everyday economic work.

The victory of socialism, the constant growth of socialist production relations and their expansion to the entire national economy, the constant development of socialist production in depth--all of these factors have caused the matters of labor productivity, the quality and efficiency of production, the reduction of social production costs and, as a result, the planned application of value relations to assume increasing practical importance. Even in the stage of developed socialism, the application of value relations need not be restricted, but can be steadily expanded to the fullest possible degree within their organic relationship with the entire body of laws of socialism. This is the conclusion that has been reached in practically all of the fraternal socialist countries.

It must also be mentioned that there have been times when certain fraternal countries and certain persons have overexaggerated the role of commodity-money relations, the role of the market and the law of value under socialism to the point of overshadowing the separate laws of socialism, beginning with the fundamental economic law and the law of balanced and planned development. As experience has shown, the price that must be paid for this radical departure is high, sometimes very high.

Thus, one should not adopt a simplistic attitude toward these matters. In terms of theory, a simplistic attitude and hasty generalizations always cause serious consequences. At the same time, one cannot disregard international experience. In the 7 decades of its existence, world socialism has gained much experience in the matters we are discussing. We must learn from the experience of the fraternal countries. In order to prevent this effort to learn from the fraternal countries from falling into dogmatism, mechanical application or approaches all stamped from the same mold, certain potential must exist from the standpoint of theory and experience, a potential that is sufficient enough to critically analyze, select and creatively apply the experiences and achievements in the fields of theory that have been gained and recorded by the fraternal countries. Lenin wrote: "...A movement that begins in a young country can only achieve results if it applies the experiences of other countries. To do this, it cannot simply gain an understanding of these experiences or simply copy the latest resolutions, rather, it must be able to critically analyze these experiences and test them on its own. Anyone who evaluates the modern worker movement as having developed and spread to some extent, understands how the performance of these tasks demands the existence of a reserve force of political (and revolutionary) theory and experience."(2)

Our party, through the resolution of the 8th Plenum, has provided a certain, initial potential from the standpoint of theory and experience concerning the complex matters of economic management. It has displayed a stand based in principle and an ability to apply Marxist-Leninist theory in combining the diverse experiences gained by our party and people in practical economic work in recent years as well as an ability to apply international experience. From the 4th Congress (1976) to the 6th Plenum of the 4th Party Central Committee (1979), from the 6th Plenum of the 4th Party Central Committee to the 5th Congress (1982), from the 5th Congress to the subsequent Party Central Committee plenums, especially the 6th Plenum (1984) and the recent 8th Plenum



(June, 1985)--these are the stages of growth that our party has undergone from the standpoint of concretizing its general line and economic line and learning and applying objective laws in its leadership and management of the economy.

Thoroughly dismantling bureaucratic centralism and subsidization, correctly implementing democratic centralism and shifting entirely to economic accounting and socialist business practices on the basis of planning--this fundamental view both guides the practical activities of our party and state and serves as a precise guideline and broad area for theoretical work.

Democratic centralism is totally alien to and the complete opposite of bureaucratic centralism. The two absolutely must not be confused. It is truly a harmful mistake for someone to cling to bureaucratic centralism but consider it to be democratic centralism. It is even more harmful for someone to discard democratic centralism in the name of attacking bureaucratic centralism. Of primary importance at this time is the need to "correctly implement democratic centralism" by taking determined and thorough steps to dismantle bureaucratic centralism and broadening both the authority and responsibility of the lower echelons, of the basic units. At the same time, the various mechanisms must be improved in such a way that the principles of centralism and unity, instead of being weakened, as they have long been by bureaucratic centralism, are constantly strengthened to the maximum degree possible together with broadening, to the maximum degree possible, the display of initiative, dynamism and creativity by the basic unit, by the lower levels. Mechanisms must be changed and improved so that centralism and democracy are not mutually exclusive but truly lay the premise for each other and guarantee collective ownership in practice on all three basic levels.

The relationship between planning and economic accounting-socialist business practices is a central issue that must truly be clarified from the standpoint of theory.

Our greatest shortcoming has long been plans that are largely characterized by bureaucratic centralism and subsidization. If we say that bureaucratic centralism and subsidization are the principal malady of the economy, of the management system, it is in plans that this malady is first seen. Plans have long been viewed as orders handed down from above and have long been implemented on the basis of allocations and deliveries. In many cases, the relationships involved in plans have amounted to nothing more than demands for and the allocation of materials, capital and wage funds without any need to calculate the efficiency with which these items are used. If practiced at all, economic accounting has only been a matter of form, has been artificial in nature because, as a result of subsidization, the tools used to calculate and measure efficiency, namely, prices, wages and money, have been inaccurate and have completely concealed the actual situation.

The plan must be closely tied to economic accounting and socialist business practices. Economic accounting must be practiced within each enterprise, each shop, each work section and unit and by each worker. Each sector and locality must practice economic accounting. The state plan is an economic accounting balance sheet for the entire national economy. All of this means that the adoption and implementation of plans are not only designed to meet the

requirements of the fundamental economic law of socialism, but also to insure that these requirements are met in the way that is most efficient and economical, that is, not met at any price, but at the lowest possible cost. To accomplish this, the requirements of the law of value must be taken into consideration.

Accounting and business practices cannot be discussed without discussing the law of value. However, as we know, the accounting we are discussing is economic accounting, which differs from commercial accounting. Commercial accounting is oriented toward the market. Economic accounting is oriented toward the plan. Economic accounting is only practiced under socialism. Capitalism practices commercial accounting. Economic accounting reflects the combined and unified application of many laws, most importantly the fundamental economic law of socialism, the law of balanced and planned development and the law of value. The business practices we are discussing are socialist business practices, are business practices carried out on the basis of the plan, in accordance with the plan.

Thus, that which primarily regulates the socialist economy is not the law of value (even though the law of value does participate in regulating the economy to some extent), but the fundamental economic law of socialism and the law of balanced and planned economic development. The primary role and function of the law of value under socialism is to enable economic accounting and business practices to be carried out on the basis of comparing costs incurred to results produced and, on this basis, endeavoring to continuously reduce costs, raise labor productivity, improve the quality and efficiency of production and apply various forms of economic incentives. This is extremely necessary, especially in the period of transition to socialism. Everyone remembers V.I. Lenin's famous argument: "Within a country of small farmers, the first thing that you must do is build small, sturdy bridges...to socialism, not by relying directly upon enthusiasm, but, with the enthusiasm born of the great revolution, by appealing to personal interests, by showing concern for the vital interests of the individual, by applying the principle of economic accounting."(3) Schemes to replace economic incentives with purely ideological education, with purely legal-administrative measures are as dangerous as making the law of value, the market that which primarily regulates economic processes within socialism. Both of these radical approaches are foreign to the essence of the socialist economy.

Thus, theoretical work concerning the central issues of the resolution of the 8th Plenum must thoroughly reflect the following view expressed by General Secretary Le Duan in his speech at the 6th Plenum of the Party Central Committee (June 1984): "Plans that are not closely tied to economic accounting and socialist business practices are nothing more than the subjective products of bureaucratic management agencies that are divorced from life. Economic accounting that is not centered on the plan loses its character, its soul and is no longer economic accounting, only guild-style management. When business practices are divorced from the plan, it also means that we have divorced ourselves from socialist guidelines and accentuate the law of value, the market as playing the controlling role."

The new management system makes it possible to uphold in practice the right and responsibility of collective ownership of each laborer, each sector, each level in order to stimulate the development of production and business toward higher productivity, quality and efficiency. The old management system based on bureaucracy and subsidization has completely distorted the true picture of economic activity. As a result, it has dragged the apparatus and its personnel into relations based on falsehoods and deceptions. This is the most serious consequence of the old management system. The new system based on economic accounting and socialist business practices, while restoring the true picture of economic activity, also re-establishes the true value of the various apparatus and of each person. The reciprocal relationship between the economic management system and these apparatus, between this system and people, in general, between it and cadres is a subject which, due to its extreme importance, is truly deserving of much research.

The shift to the new management system of economic accounting and socialist business practices based on planning is a shift of great importance, one that will have far-reaching impact upon the whole of our socio-economic life. This is the first step of the new period in the economic activities of our country, the aims of which are to correct the abnormal phenomena that have long existed in economic management and develop the economy in a manner increasingly compatible with objective laws in order to achieve the objectives of controlling and developing, in the best manner possible, each existing capability and potential that lies in our labor, arable land, sectors, trades, natural resources and material-technical bases, creating the conditions for strong, dynamic and highly efficient economic development, expanding and strengthening the position of socialism, stabilizing and gradually improving the standard of living of the people, creating sources of capital for socialist industrialization and strengthening the national defense and security systems. To meet these objectives, it is not enough, of course, to simply change and improve the management system. Along with changing and improving the management system, there are countless large jobs that must be performed: reorganizing and restructuring production; accelerating scientific-technical progress; accelerating socialist transformation; strengthening the management of the market, strengthening the socialist system of law, etc. However, of all the jobs that must be performed, the job of most crucial significance at this point in time is to quickly shift from the old system to the new system in economic management, to implement, with determination, with thoroughness and in suitable stages, the resolution of the 8th Plenum.

The shift to the new management system is being made in the face of very many difficulties and complex problems; therefore, there should be no illusions that everything will be achieved quickly or easily. However, our party and our people are ready to deal with these difficulties and look for every way to overcome them. Regardless of how great these difficulties and problems might be, we are determined to overcome them and shift entirely to the new way of operating. This is the mandate of life itself. This is the way to leave our difficulties behind us and move forward.

In this shift of enormous magnitude, now, more than ever before, practice is urgently calling out to those who perform theoretical work. Now, more than

every before (as viewed from the standpoint of the process of the socialist revolution in our country to date), those who perform theoretical work see the large responsibility that is theirs and feel an interest that is truly deep! Because, whereas practice is always the "atmosphere," the environment that nurtures theory, now, more than ever before, the practice of the intense socialist revolution in our country is urging responsibility, is creating a stimulus and is supplying a wealth of raw material for activities in the field of theory. Success depends only upon our enthusiasm, our determination, our spirit of responsibility, our intellectual effort, our perseverance, our ability to use the methods of science in our research. And, of course, the work involved here is related not only to economists, but to specialists in the fields of philosophy, scientific socialism, party building, the building of the state, the building of the system of law, socialist culture, etc.

There is one more matter that remains to be taken into consideration. Soon, while the resolution of the 8th Party Plenum is being implemented, the 9th Plenum of the Party Central Committee will be held and, with that, the party will be close to making direct preparations for the 6th National Congress. Thus, our party is in a period of very important decisions. Those who are engaged in theoretical work must be fully and deeply conscious of this fact, must see the specifics involved in their tasks against the overall background of the performance of these tasks. Our theoretical work cannot fail to be part of the review of the 10 years of the socialist revolution nationwide, 30 years if counted from the day that the North embarked on the period of transition. It cannot fail to be part of the process of the formulation of the party's upcoming decisions of strategic importance. The major question is: to what extent can we meet the demands of our tasks? Everyone hopes that this will be an opportunity to end the problem of theoretical work lagging far behind practice, which is a problem that has existed for years. This will be an opportunity to review, re-evaluate and bring up to date old knowledge and the work that we have performed in theoretical research as well as the teaching of theory. This will also be a major challenge to the practical skills of our corps of theorists as well as each member of this corps and their ability to contribute to the party's revolutionary cause.

#### FOOTNOTES

1. V.I. Lenin: "Collected Works," Progress Publishers, Moscow, 1979, Volume 15, p 437.
2. V.I. Lenin: "Collected Works," Russian version, National Political Publishing House, Moscow, 1959, Volume 6, pp 24-25.
3. V.I. Lenin: "Collected Works," Progress Publishers, Moscow, 1978, Volume 44, p 189.

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## WINNING VICTORY OVER THE ENEMY'S WAR OF ENCROACHMENT AND OCCUPATION ALONG THE BORDER

Hanoi TAP CHI CONG SAN in Vietnamese No 11, Nov 85 pp 24-28

[Article by Le Ngoc Hien]

[Text] I. What Each of Us Must Know About the New Fight

Launching large-scale wars of aggression, fomenting internal rebellion and subversion coupled with external military pressure or encroaching upon land of another country and gradually gobbling up one piece at a time are the traditional, cunning tactics employed by the Chinese expansionists and hegemonists. These tactics were employed by ancient Chinese feudal powers. These tactics are also being employed by present day Beijing authorities.

Living as we do in a country that shares a border with China, our nation had to deal on many different occasions with large-scale wars of aggression and wars of encroachment and occupation unleashed against our country by the Chinese feudalists. Our forefathers, drawing from their experience, learned profound lessons about how to deal with these wars. The history of our country still records what transpired when King Tran Anh Tong visited the bedside of Tran Hung Dao to pay his regards: "If you should die, what should our plan be for fighting the northern invaders?" Before he died on 20 August in the year Canh Ty (1300), Tran Hung Dao replied:

"If enemy forces are advancing in a rage, like a fire blown by the wind, the terrain will easily prevail over them. If they are advancing slowly, like a silkworm eating its way along and do not need to plunder the property of the people or move quickly, you must select a skilled general and deal with the situation as if playing a game of chess. Troops can only be used effectively when they are united as one, like father and son. Moreover, tap the strength of the people in order to give your plan deep, strong roots. This is the best policy for defending the country."(1)

Many neighboring countries have also been the target of hostilities created by China and had their land encroached upon and occupied by China. In 1962, in the Sino-India border war, China occupied (and continues to occupy) 37,500 square kilometers of land in India's Kashmir region. In 1969, China provoked armed conflicts along the Sino-Soviet border with the aim of achieving self-

serving political objectives, conflicts which included encroaching upon and occupying land belonging to the Soviet Union, but was defeated by Soviet armed forces.

In our country, even during the period of friendly relations between the two countries, China took advantage of our friendship and good will to encroach upon and occupy many places along the border by a variety of different methods. In particular, since the heavy defeat they suffered in the large-scale war of aggression launched in February, 1979, the Chinese reactionaries, refusing to abandon their expansionist and hegemonist schemes and activities and in conjunction with wide-ranging acts of sabotage, have increased their military pressure on the northern portion of our country by keeping large military forces massed along the border and violating our country's territory by crossing the border to conduct reconnaissance operations and wage psychological and spy warfare. After withdrawing in February 1979, they continued to occupy a number of hills in Van Lang District, Lang Son Province and Muong Khuong District, Hoang Lien Son Province, in order to give themselves a military advantage. They also carried out military attacks to occupy one and then a number of places within our territory, such as Hill 1992 in Xin Man District, Ha Tuyen Province (15 October 1980), Hill 400 in Cao Loc District, Lang Son Province (4 May 1981) and Hills 1800 A and 1800 B in Vi Xuyen District, Ha Tuyen Province (23 May 1981). In 1982 and 1983, they conducted acts of provocation against and shelled economic-civilian targets deep within our country (roughly 10 kilometers).

In 1984, China's use of military pressure was increased and became a war of encroachment and occupation. At 0530 hours on 28 April 1984, following a series of heavy artillery attacks, which lasted from 2 to 27 April, against population centers deep within our country and while being defeated in battalion and regimental-scale attacks against defense bases of our border defense troops, the enemy, having assembled a large infantry force (consisting of many main force divisions and military corps from their Kunming Military Region) backed by more than 200 heavy artillery pieces and mortars, attacked and occupied many of our defense bases in the area of Thanh Duc and Thanh Thuy Villages in Vi Xuyen District, Ha Tuyen Province. Then, on 30 April, they occupied the Nui Bac Base in Pu Lung Village, Yen Minh District. On 15 May, they occupied Hill 1030 in Minh Tan Village, Vi Xuyen District, Ha Tuyen Province. The armed forces and people of Ha Tuyen have been bravely fighting to defend and take back each bit of soil of the fatherland. The increasingly fierce fighting has been concentrated in the areas of Thanh Duc and Thanh Thuy Villages in Vi Xuyen District where, after occupying a number of places, the enemy brazenly gave these areas the Chinese names of Lao Son and Da Au Son. In this zone, the gunfire erupts and subsides, but there has not been one day that the enemy's heavy artillery and mortars have been completely silent. One day, they fired as many as 50,000 large shells to support their infantry in attacks to expand their occupation. They have regularly maintained a force of eight divisions, a number of independent regiments and technical units, with a total troop strength in excess of 100,000, within this area to consolidate and expand their occupation. During the past 18 months, bogged down, on the defensive and having been dealt heavy blows, the forces from the Kunming Military Region have been unable to carry out their plan. The enemy has thus been forced to rotate these troops with a reserve force of roughly seven

divisions from other military regions deep within China's rear area, such as Wuhan, Nanjing and Jinan.

## II. The Essence of the Enemy's War of Encroachment and Occupation Along the Border

For nearly 2 years, we have truly had to deal with a lengthy border war of encroachment and occupation resulting from the expansionist policy of a large country with which we share a 1,463 kilometer land border. This is not a general war being waged with the aim of immediately annexing our country. Enemy forces are not "sweeping in like a fire, like the wind" as our forefathers said, rather, the enemy's "strategy is to nibble away at us like a silkworm eating away at a mulberry leaf, with no need to win victory quickly." It is, however, a no less dangerous war and demands that we have an effective and timely plan that constitutes a war strategy. We should not think we can fight one battle and bring everything to a conclusion. We should not disregard the schemes and tactics of the enemy in this form of war. Such would only give rise to a rash and subjective underestimation of the enemy and lead to unnecessary losses.

Before reaching total victory with the fewest possible losses, this new fight of ours will be a seesaw fight, a bitter and long fight. It will be a fight that is complex from the standpoint of politics and a fierce fight militarily. It will be politically complex because, while attacking and encroaching upon our territory, the enemy is looking for every way to deceive public opinion, distort the truth and divide us from our friends near and far and is lying to their soldiers in order to push them into battle to risk their lives for their hostile policy toward our people. It will be a militarily fierce fight because the enemy has concentrated large numbers of troops and many artillery pieces in small areas. Wherever they attack and occupy land, they build strong fortifications, set up battle positions arranged in lines and organize a formation consisting of many successive waves of units that come across the border and launch an attack against an area that is neither very wide nor very deep inside our country (for example, the zone in which the enemy has occupied a number of places within the two village of Thanh Duc and Thanh Thuy stretches along the border for 12 kilometers, with the deepest penetration into our country being 2 to 3 kilometers). The enemy also has strong reserve forces, deployed mainly on their soil, which cause us difficulties when we try to completely wipe out occupying units. Thus, the realities of this complex and fierce fight face us with many new things to which thought must be given and demand that we not be satisfied with the experience gained in the fights against France and the United States. Rather, we must promptly learn from our new experience and develop suitable, highly effective methods of fighting so that we can win increasingly large victories and eventually defeat this war.

Today, we can say: the border war of encroachment and occupation being carried out by the enemy in the northern portion of our country is an unusual mode of war, one that has been combined with a wide-ranging, clandestine war of sabotage by the enemy against our entire country. It is an unusual mode because the enemy has been employing in it large-scale infantry forces with a tightly structured command organization to fight many pitched battles and conduct numerous phases of continuous combat operations lasting many days in

length with the aim of achieving their political and strategic objectives. These are not the scattered, covert acts of sabotage against military targets of ours that they are carrying out in their wide-ranging war of sabotage. The border war of encroachment and occupation and the wide-ranging war of sabotage are the two modes of war that have been combined by the enemy within their overall plan to weaken and eventually annex our country. Moreover, the border war of encroachment and occupation in the North is no longer a matter of scattered armed conflicts nor is it an ordinary border dispute. It is an unjust war of aggression of the rulers of China. It is the mode of war that they have selected for the situation in which they find themselves: the wide-ranging war of sabotage that they are waging is unable to pressure us into changing our line but neither the conditions nor opportunity exist for them to launch a general war of aggression to annex our country.

In the new fight against this war of encroachment and occupation, ours is the cause that is just. We are fighting for national independence and socialism and are determined not to yield to any enemy. Following more than 30 years of war filled with hardships and sacrifices, our people, our nation have no more ardent aspiration than to be at peace in order to build a life of tranquility, stability and comfort for themselves and desire negotiations to settle the issues that exist between the two countries. However, this desire has still not been satisfied.

With such being the circumstances of our people, who can believe the arguments often heard being spouted by China's propaganda agencies: "Vietnam has encroached upon Chinese soil. Chinese forces had to counter-attack in order to defend themselves." These are truly distortions and false accusations designed to deceive opinion and conceal the schemes and acts of the Beijing authorities in the aggression they committed when they sent 600,000 troops to attack our country in February 1979 and the aggression they continue to commit by sending troops to attack and occupy places along our country's northern border. When giving explanations to their soldiers, Chinese officers themselves have been forced to tell the truth: "The land over there belongs to Vietnam but we must occupy it to protect our defense line"(confessions of Chinese prisoners of war).

Clearly, our new fight against the enemy's border war of encroachment and occupation is an important part of the struggle to resolve the basic contradiction that exists between the national independence, sovereignty, territorial integrity and socialism of our people as well as the peoples of all three countries of Indochina and the hostile, anti-socialist expansionist policy of those who are in power in Beijing and their lackey army. This struggle will last as long as those in power in Beijing do not change their hostile policy toward our people. We must always be alert and vigilant, even at times when the struggle has quieted down and temporary detente has been reached.

### III. Confidence in Victory in the New Fight

In the 18 months of hard and bitter fighting in the areas being occupied by the enemy, our armed forces and people, especially the armed forces and people of Ha Tuyen Province, have won very important victories.



We have inflicted attrition upon or destroyed many vital enemy forces, put about 20,000 enemy troops out of combat, inflicted heavy losses upon many enemy regiments and battalions and destroyed many of their means of war (more than 400 artillery pieces and mortars and more than 200 military vehicles of all types).

As a result of being dealt decisive retaliatory blows and suffering heavy losses, the soldiers and low ranking officers of the enemy, despite being deceived, despite being indoctrinated in the thinking of big country hegemony, have, in the face of the fierceness of the war and the harshness of the climate in the border region (especially forces that recently came down from the North, such as those from the Nanjing, Wuhan and Jinan Military Regions), begun to show signs of wavering and fearing sacrifices and difficulties. They do not believe that they can fight Vietnam and doubt their superiors.

We have promptly developed suitable, flexible and effective methods of fighting that have begun to defeat the enemy's tactics and ways of fighting, break up their battle positions arranged along separate lines, put the enemy on the defensive and cause them to become bogged down. We have restored each piece of land once occupied by the enemy and partially defeated the enemy in their attempt to expand their occupation within areas already occupied by them and to other areas along the border, especially in early 1985, when they had intentions of teaching Vietnam a "second lesson."

On the basis of the very important initial victories that have been won, under the clear-sighted leadership of the Party Central Committee, under the close and specific guidance and command of the various party committee echelons, local administrations and units and with the active and large support and assistance of the entire country, our armed forces and people along the fatherland's northern border will continue to build the combined strength of the local people's war in order to win victory.

Our troops, the most active of our combat forces, who were forged in previous wars, now are being challenged in the realities of the fight against this war of encroachment and occupation of the enemy and have gained new experience. Their corps of command cadres is seasoned in combat, is bold and thorough. In addition, our troops are also backed by thorough and timely combat, rear service and technical support and by detailed political and ideological work performed that extends all the way down to the team and unit level. Our people are calm and steadfast, overcome each difficulty and enthusiastically participate in combat along with troops while supporting production and everyday life. The armed forces and people are united as one and share a common will. These are factors that insure us of victory over the enemy's war of encroachment and occupation, insure that we will protect the territorial integrity of the fatherland, insure that the entire country is safe and secure so that it can carry out construction, can excellently fulfill its international obligation.

In the years ahead, the situation might undergo complex changes. Our armed forces and people, most immediately those on the frontline, are determined to continue to display high vigilance, maintain combat readiness, fight well and defeat each new adventurous action of the enemy.

#### FOOTNOTES

1. Ngo Si Lien: "Dai Viet su ky toan thu,"[Complete History of Dai Viet], Social Sciences Publishing House, Hanoi, 1967, Volume II, p 80.

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GRASPING THE SPIRIT OF THE RESOLUTION OF THE 8TH PLENUM OF THE PARTY CENTRAL COMMITTEE

Hanoi TAP CHI CONG SAN in Vietnamese No 11, Nov 85 pp 29-34

[Article attributed to TAP CHI CONG SAN]

[Text] Since July, under the leadership of the party, the people of our entire country have been vigorously implementing the resolution of the 8th Plenum of the 5th Party Central Committee; adding compensation for prices to wages; reorienting the activities of state-operated commerce and strengthening the management of the market; carrying out the money exchange program; implementing the new wage policy; and changing the economic management system under the guideline of dismantling bureaucratic centralism and subsidization and shifting entirely to economic accounting and socialist business practices.

The collection of old money, the issuance of new money and the change in the unit of currency have created a new position from which the state can take the initiative with regard to sources of cash, thus enabling it to control the distribution of cash within society and creating favorable conditions for managing money well, implementing price and wage reforms, stimulating production and business activities...

The addition of compensation for prices to wages and the subsequent implementation of the new policy on wages have reduced to some extent the difficulties encountered in the daily lives of wage earners, partially improved their ability to replenish the energies expended in labor and resulted in the principle of distribution in accordance with labor being implemented better.

The procurement and sale of essential consumer goods at a price near the market price have enabled the state to increase its procurements of grain and other agricultural products. The business activities of socialist commerce have begun to change in a good direction. Within distribution and circulation, negative phenomena have declined.

Through the effort to implement the resolution of the 8th Party Plenum and Political Bureau Resolution Number 28 on prices, wages and money, all sectors and levels have significantly improved their economic management skills, especially their ability to guide distribution and circulation. At some

places, initial advances have been made in production and business management within state-operated enterprises. Progress has also been made in labor management at many basic state-operated units. Many municipalities and provinces have made new efforts to transform and manage the market, transform private merchants, restructure outdoor markets and product sectors, keep closer inventory of available goods, control prices, implement the tax policy better and emphatically combat speculation, black marketing and illegal ways of earning a living. The state-operated commerce and marketing cooperative networks have been expanded. The way that socialist commerce does business and serves its customers has been improved.

Some places have included the new wages in production costs, conducted pilot projects in correctly and fully computing production costs, implemented the payment of contract wages based on the new wage standards, initiated the payment of wages to state store personnel based on the volume of business done...in conjunction with restructuring production and business operations at basic units. Through the effort to implement the resolution, good experience has been gained in improving economic management, eliminating irrational costs, raising labor productivity, reducing the consumption of materials and reducing production costs.

Many provinces and municipalities have prepared plans for restructuring their organizational apparatus by eliminating or reducing the number of organizations that are clearly irrational, dismantling unnecessary intermediary echelons and transferring some cadres and personnel from administrative agencies and indirect production units within the management apparatus to direct production and business units. Some provinces and municipalities have classified and evaluated the corps of management cadres and adopted plans to replace persons who are unable to perform their tasks and provide the key management cadres of enterprises, stores and corporations with accounting and business training.

The effort to implement the resolution of the 8th Party Plenum and the results that have been achieved prove that a number of strong changes are occurring in the economic thinking of the cadres of our party and state.

The implementation of the resolution of the 8th Party Plenum has produced results in many areas. However, weaknesses and shortcomings still exist. The transformation and management of the market are still weak in many respects. Efforts to improve the organization and expand and reorient the business and service activities of state-operated commerce are still proceeding slowly. At many places, speculators, black marketers and persons who earn their livings illegally are not being harshly punished. The state does not truly control the market. Complex changes are occurring in the field of prices. Preparations for the implementation of some programs and policies of the state lack thoroughness. Many agencies and units have yet to take the initiative in restructuring their organizations, streamlining their apparatus and reassigning cadres within the scope of their authority, responsibility and ability in keeping with the spirit of the resolution of the 8th Party Plenum. The common difficulty faced by localities and sectors is to provide jobs and the necessary living conditions to persons displaced from employment roles. In addition, the serious destruction caused by the floods has caused many

localities to encounter greater difficulties. These difficulties are temporary. By taking correct measures and displaying a spirit of steadfast struggle, we will surely be able to overcome these difficulties.

Dismantling the old management system and building the new entail a process of struggle, a process that is comprehensive and total, a process that is carried out in a determined and urgent fashion by taking steady, sure steps forward. The principles set forth in the resolution of the 8th Party Plenum to guide efforts regarding prices, wages and money are entirely correct and must be fully implemented. However, in view of the specific economic situation we face today, we must proceed gradually and in a manner that is consistent with this situation.

Continuing to implement the resolution of the 8th Party Plenum is the central task of the entire party and all our people in the months ahead. In order for this resolution of the party to be implemented well, all levels and sectors, all cadres and party members must grasp and thoroughly understand the basic views set forth within the resolution of the 8th Party Plenum. At the same time, they must grasp and thoroughly understand the spirit of Political Bureau Resolution Number 28 as the resolution that specifically defines how the resolution of the 8th Party Plenum will be implemented in the months ahead.

The basic views set forth in the resolution of the 8th Party Plenum are that we must be determined to dismantle bureaucratic centralism and subsidization and must shift entirely to economic accounting and socialist business practices on the basis of making the plan the center of operations. Implementing the new policies on prices, wages and money is the breakthrough of decisive importance. We must dismantle bureaucracy and subsidization with a high degree of determination and build the new economic management system in a dynamic, cautious manner but without hesitating or wavering.

We are implementing the resolution of the 8th Party Plenum against the background of a situation that is complex: the socio-economic situation is unstable; production is not developing in a stable manner; the economy is still unbalanced; commerce and prices are undergoing complex changes; production costs are not being accurately determined; the purchasing power of the masses is still limited, etc.

Calculating all production costs, dismantling subsidization and discontinuing the practice of compensating for losses within the national economy will entail a process of complex struggle. To achieve solid results, we must proceed gradually in a way that is consistent with the specific, immediate situation. Subsidization has existed for decades. To dismantle it now will not be easy. This cannot be done overnight nor can it be done by simply issuing an order. Because specific conditions do not permit us to eliminate subsidization all at once, we cannot simply adjust prices and improve wages once and be done.

These circumstances demand that we take appropriate steps to insure stable results and avoid adverse changes that could lead to increased instability in the socio-economic situation. Suitable forms and measures must be adopted in order to bring about change gradually and create the conditions for continuing

to fully implement the principles set forth in the resolution of the 8th Party Plenum.

Things that cannot be immediately eliminated must be temporarily tolerated and viewed as transitional measures. However, when it comes to those things that can be immediately eliminated, we should not hesitate to do so and must not use difficult circumstances as an excuse for retaining them, as this will only lead to stagnation and impede our progress in establishing the new management system. To be consistent with the specific situation and conditions, the steps that we take must not only be sure steps, but also quick steps because they will help us to avoid going around in circles.

While adjusting prices, we must promptly revise price management procedures and take measures to supervise the management of prices and assign responsibility for managing prices in a way that is dynamic and expeditious in order to provide timely stimulus for the development of production. While adjusting prices, we must improve wages accordingly, must use this important lever to implement distribution in accordance with labor and create a force that stimulates technological innovations and higher labor productivity. We must make improvements in the areas of finances and credit, manage the circulation of money well and promptly enable enterprises to take greater initiative in order to abolish each constraint imposed by bureaucracy and subsidization.

The current management system does not enable the enterprise to take initiative. Despite the fact that the resolution of the 8th Party Plenum sets forth the guideline of allowing basic production and business units to take greater initiative, policies have not been promptly revised to stimulate the development of production at enterprises. Consequently, efforts to resolve the problems of prices, wages and money must be closely tied to shifting to economic accounting and socialist business practices to insure that the enterprise can take initiative in its production.

Prices must be consistent with value and the real purchasing power of the dong. We must take the initiative in applying the law of value and the law of supply and demand. At present, our state is using the price of paddy as the price standard. The procurement prices paid for paddy and other agricultural products are determined on the basis of negotiations between the state and farmers.

Setting the prices of materials and industrial products is a very complicated matter. According to the spirit of the resolution of the 8th Plenum, all costs must be correctly included in production costs. However, due to many different reasons, production cost factors are still irrational in many respects, the consumption of past labor and human labor is still too high and this has led to very low labor productivity, very low product quality and very low production and business efficiency. It is very difficult to accurately compute production costs. If we automatically compute all costs at the new prices and new wages, production costs will soar. With that, the production costs of industrial products will rise to the level of market prices, will push market prices even higher, push them to levels unacceptable to society. As a result, the new price scale based on the price of paddy will be

shattered. If we solve this problem by setting product prices at a level far below production costs, the state will have to compensate for very large losses and the problem of subsidization will persist.

In the face of these complex realities of the situation, it is necessary that we employ transitional measures. On the basis of the price scale and the relationships that have formed on the social market among prices, we must set the prices of imported materials and the prices of the other primary means of production at levels which prevent the production costs, wholesale prices and retail prices of the various types of industrial consumer goods and the prices of state services from exceeding the purchasing power of society, from "carrying" market prices to levels higher than can be tolerated and disrupting the major economic relationships, especially the relationship between workers and farmers and the relationship between prices and wages.

Thus, the approach being taken to the adjustment of prices this time does not entirely do away with subsidization. The state budget will continue to compensate for losses, but these losses will be smaller than previously. In the immediate future, it is very important that we be determined to maintain the new price system and new price scale because, only by maintaining these new prices, can we create the conditions needed to stabilize production, protect real wages and stabilize the standard of living.

In view of the many economic difficulties being encountered by the country, the party and state have made numerous efforts to insure that wage earners can live mainly on their wages and replenish the energies expended in labor. The new wage policy has eliminated the supplying of products under ration standards at prices for which losses were compensated, which was an outgrowth of subsidization.

However, production is still developing slowly and there is not an adequate supply of consumer goods, consequently, the rationing of a few types of goods through the use of ration books or coupons is necessary in order to maintain the consumption policy. Under the new wage policy, we have eliminated the largest portion of the subsidized wages paid in product, namely, the product supplied through commerce. There is another type of product supply, such as the supplying of housing, medicine and so forth, that is not yet included in wages; therefore, we have yet to achieve total fairness in with the principle of distribution in accordance with labor. Of course, everyone knows that this is not rational but we are as yet unable to immediately resolve this problem because of the country's limited financial capabilities.

Under the new wage policy, the relationship between wages and allowances among the various sectors, trades and work grades has been restructured on the basis of the principle of distribution in accordance with labor. Attention has been given to important and technical sectors and trades, to sectors and trades involving complex manual skills and strenuous, hazardous labor and to remote wilderness areas. Special benefits have been established for the armed forces and the public health and education professions. At the same time, more satisfactory allowances have been established for village and subward cadres.

With the differentials that exist between the maximum and the minimum wage under the new wage policy, we only partially correct the irrational practice of basing wages on averages. We must make every effort to accelerate the development of production and raise labor productivity in order to constantly increase the gross social product and national income. Only in this way can we establish the material conditions needed to further improve the wage policy.

The adjustments made to the price system and the improvements made to the wage policy represent a very important reform. They open the way for the implementation of the resolution of the 8th Party Plenum. This is the first step in eliminating management based on bureaucracy and subsidization and creating favorable conditions for changing and improving all aspects of the management system and shifting all economic activities to economic accounting and socialist business practices. This reform will have a direct impact upon the development of the country's economy. It will have a major effect upon the standard of living. Each stratum of society is concerned about the implementation of the resolution of the 8th Party Plenum. The enemy is also looking for ways to take advantage of our weaknesses in a vain attempt to sabotage our efforts. Therefore, we must implement the resolution of the party in a determined but cautious spirit. The steps that we take must be sure steps. At the same time, we must heighten our vigilance against acts of sabotage by the enemy.

To continue to implement the resolution of the 8th Party Plenum well, the party organizations on all levels must conduct good ideological and organizational work, launch revolutionary movements of the masses, intensify their inspections and improve their work methods.

Ideological work must give the entire party and all the people a clear understanding of the spirit and contents of the resolution of the Party Central Committee. On this basis, it must achieve unity and consensus among everyone and cause everyone to make every effort to fully carry out the party's resolution. The positions and policies of the party and state on prices, wages and money, on market management must be promptly explained to everyone. The questions that cadres, party members and the masses have and any aspects of their thinking that are incorrect must be promptly answered and corrected. When publicizing, providing an education in and organizing the implementation of the positions and policies of the party and state, it is necessary to elevate the thinking and tap the spirit of initiative and sense of responsibility of cadres and party members in implementing and encouraging the masses to implement the resolution.

With regard to organizational work, we must, in light of the spirit of the resolution of the 8th Party Plenum, re-examine the function, task, organization and staff of the various sectors, levels and basic units, revise and amend existing regulations, restructure their organization and reduce their employment roles so that their apparatus is streamlined but effective. Specific and appropriate measures must be taken to provide jobs to persons displaced from employment roles.



To launch a strong mass movement to implement the resolution, it is necessary to intensify the teaching of politics to the masses so that they exercise their right of collective ownership in production, trade and the services as well as in inspecting the activities of party and state agencies. A spirited revolutionary movement of the masses is a strong force in dismantling the old management system and building the new.

Inspections are very important in insuring that the resolution is implemented. Only through inspections can it be determined whether or not sectors and localities are implementing the resolution, whether or not they are implementing it correctly. Through inspections, the party and state uncover and promptly deal with new problems that arise and correct mistakes. Only through inspections can the party and state revise and amend existing policies and propose new positions and policies for the purpose of implementing the party's resolution more effectively.

Dismantling the old management system, building the new management system and providing management on the basis of economic accounting and socialist business practices are very complex matters which demand concerted, close, flexible and urgent guidance. Therefore, all levels and sectors must adopt a new, dynamic, specific and practical way of working. Only by improving their work methods can they implement the party's resolution on dismantling the management system based on bureaucratic centralism and subsidization and shifting entirely to a management system based on economic accounting and socialist business practices.

To thoroughly grasp and fully implement the resolution of the 8th Party Plenum, it is necessary to correct the following two tendencies:

One is being impetuous, or wanting to do everything at once without understanding that dismantling the old system and establishing the new in economic management entail a process that must be carried out gradually in sure, steady steps.

The other is wavering and hesitating, pulling back in the face of the difficulties encountered in implementing the resolution and wanting to retain the old system with all of its conservatism and inertia.

The campaign to dismantle the old management system based on bureaucracy and subsidization and implementing the new management system based on economic accounting and socialist business practices is, from the standpoint of economic management, a campaign of profound revolutionary significance. If our entire party and all our people grasp the spirit of the resolution of the Party Central Committee and the resolution of the Political Bureau, strengthen their unity, display a high revolutionary-offensive will, are determined to struggle, overcome each difficulty and make every effort to implement the resolutions of the party and policies of the state, we will surely succeed in bringing about a new, good change within the national economy and in our revolution's situation.

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## FULLY DEVELOPING UPON THE POSITIVE IMPACT OF THE IMPROVEMENTS MADE TO WAGES

Hanoi TAP CHI CONG SAN in Vietnamese No 11, Nov 85 pp 35-39

[Article by Tung Van]

[Text] On the basis of our country's present socio-economic situation, the 8th Plenum of the 5th Party Central Committee issued the resolution on prices, wages and money, the aim of which is to dismantle the bureaucratic centralism and subsidization that exist within prices and wages, considering this to be the breakthrough of decisive significance that must be made to shift the economy to economic accounting and socialist business practices.

Recently, in September, to implement this resolution, the state promulgated the new wage policy and simultaneously adjusted state prices.

Wages are the main source of income of tens of millions of laborers in our country. Wages are not only a matter of living conditions, but also a factor of production and a strong lever in production. Wages are payment for work in accordance with the principle of distribution in accordance with labor, that is, the distribution of personal consumption items to workers on the basis of the quantity and quality of the labor contributed by them to society, which encourages workers to fully concern themselves with the products produced and with labor productivity. V.I. Lenin, who stressed the special importance of the principle of tying material incentives closely to the result of labor and labor productivity, was opposed to the approach of simply appealing by means of empty slogans to the worker to work, and felt that we must encourage the worker to work "by appealing to personal interests, to personal gain, by applying the principle of economic accounting."<sup>(1)</sup>

Correctly implementing the principle of distribution in accordance with labor in order to compel each worker to work with high productivity and efficiency and forge their sense of responsibility, their attitude toward labor and their labor discipline corrects the practice of basing distribution on averages and eliminates negative thinking and attitude in labor.

However, for a long time, our wage policy did not fully reflect the principle of distribution in accordance with labor, was highly subsidized and based on

averages, which reduced the desire to work, caused stagnation in production and failed to stimulate technological innovations and the development of production.

Real wages steadily declined, which made wages insufficient to replenish the energies expended in labor and caused the differences in income and standard of living among the various strata of the population, among the different sectors and trades and among the various regions of the country to become irrational. Due to the slowness with which steps were being taken to solve the wage problem, a situation occurred in which many different ways of paying wages and bonuses were adopted. Wage and bonus rates also became irrationally disproportionate and this caused the wage system to lose its uniformity, affected the uniformity of prices and caused more difficulties to be encountered in distribution and circulation. This demanded that the state urgently improve the wage policy.

The newly promulgated wage policy, which was uniformly applied throughout the country on 1 September 1985, is based on the principles set forth in the resolution of the 8th Plenum of the 5th Party Central Committee: "The real wage must truly insure that the wage earner can live mainly on his wages, must replenish the energies expended in labor and must be consistent with the capabilities of the national economy. Wages must be closely tied to the productivity, quality and efficiency of labor and must thoroughly implement the principle of distribution in accordance with labor. Wages are to be paid in money, with availability of goods guaranteed; the policy of supplying products at low prices, prices divorced from the value of goods, is to be discontinued. We must implement a uniform wage policy nationwide, one that takes into consideration the rational differences that exist among regions and among sectors and provides special benefits for sectors and trades that involve strenuous, hazardous work or high professional or technical requirements and the education, public health, culture and art sectors. The wage policy must be designed to stabilize and gradually improve the standard of living of manual workers, civil servants and the armed forces. Subsidies, averages and irrational differences in wages and bonuses must be eliminated throughout the country."

On the basis of the principles set forth in the above mentioned resolution, the new wage policy has brought about fundamental changes. In particular, the majority of subsidization and the use of averages has been removed from wages. The new wage policy has adjusted the minimum wage with the aim of satisfying the minimum consumer needs of the wage earner in a manner consistent with the current economic situation. With the minimum wage (220 dong per month) being paid in the region where the cost of living is the lowest, the standard of living of the wage earner is higher than previously. Thus, the new wage policy enables the wage earner to replenish the energies expended in labor in a manner consistent with the capabilities of the national economy.

The new wage policy has discontinued the supplying of products under ration standards and at subsidized prices for which losses are compensated. However, in view of the fact that goods are still scarce, the state has continued to maintain rationing (books or coupons) for a number of essential products: grain, fuel... At a time when the financial situation is still difficult, the

state cannot immediately include in wages the other items that are supplied by the state, such as housing, medicine, cars, etc.

The new wage policy has resolved some of the disparities in wage relationships: general wage relationships; the wage relationships among the various sectors engaged in material production; and the wage relationships among the work and administrative sectors. At the same time, it has restructured the various types of allowances and bonuses to be consistent with the new conditions that exist and with the adjusted basic wage.

The improvements made to wages this time are only one step, but a step of very important significance: they insure that the energies expended in labor can be replenished; insure that the principle of distribution in accordance with labor is implemented; provide appropriate benefits for the various sectors and trades within the national economy; encourage higher labor productivity and the development of manual skills; and restore the order of wages that are uniform nationwide. The payment of wages entirely in money allows the worker to determine how his wages are spent.

In view of the many difficulties still being encountered with the economy, the enactment of the new wage policy represents a major effort by our party and state and expresses their care and concern for the life of the worker. Under the new wage policy, the lives of the manual workers and civil servants of the state have been significantly improved compared to the current standard of living but wages remain modest at best and the differential between the minimum wage and the maximum wage is still narrow. Because this differential is only 3.5 times, the state has only been able to partially eliminate the basing of wages on averages and the irrational aspects of wages.

To develop upon the positive impact of the new wage policy, each person must display a high spirit of responsibility in the exercise of socialist collective ownership and devote the full measure of his work skills to constantly raising his labor productivity and work efficiency in order to create a new atmosphere, a true socialist labor emulation movement that brings social production to a new level of development, on the basis of which the living conditions of the people are stabilized and gradually improved.

The new wage policy is an important economic lever in stimulating the strong development of production, is an effective tool in labor management and economic-financial management, one that encourages the worker to improve his labor discipline, achieve higher labor productivity and insure quality and economic efficiency within each enterprise and production unit. This will lead to the raising of social labor productivity as a whole, and this is the goal of socialism. V.I. Lenin once said: "In the final analysis, labor productivity is the most important, the most basic factor in the victory of the new social order."(2)

To fully develop upon the impact of the new wage policy as an economic lever and create the conditions for each worker to perform good work, to work with high productivity and efficiency, it is necessary to take the following important measures well:

1. Reorganizing and restructuring production and reorganizing labor on a nationwide scale and within each sector, each locality and each enterprise.

The requirements involved in the restructuring of production are that each basic unit, on the basis of the plans of the sector and locality for the restructuring and reorganization of production and for construction and on the basis of analyzing the existing labor pool, propose ways to make full use of the labor and work time of each unit. By restructuring production mainly within the unit, by assigning them mainly to production and by taking many positive measures, it is necessary to maintain and make rational use of the force of skilled technical workers and skilled management cadres and scientific-technical cadres.

Closely tied to reorganizing and restructuring production is the need to reorganize labor, apply rational labor quotas and research ways to make effective use of labor displaced along production lines. It is necessary to re-examine and amend or revise technical grade standards within each sector and basic unit and establish professional titles and standards to lay the basis for the salary scale of cadres and civil servants. A wage rate and work grade must be established for each worker in order to provide appropriate incentive to work and contribute. Here, the aims must be to unite everyone, correctly implement the principle of distribution in accordance with labor, practice frugality in production and reduce the size of the administrative and indirect workforce. In the restructuring of wage rates, it is necessary to insure that all principles and policies concerning the new wages are correctly implemented; insure that the steps taken are fair and rational; insure that the standards for technical grades or professional standards are not lowered to suit convenience; insure a correct relationship between cadres and personnel; and strengthen the labor discipline, unity and confidence of each person so that everyone approaches their work with enthusiasm.

On the basis of restructuring production and reorganizing labor in a way that is rational, we will establish the conditions needed for the enterprise to take greater initiative in labor management by, for example, putting labor quotas into effect and applying progressive labor quotas, setting correct unit prices, practicing strict economic accounting, inspecting the results of the work and the income of each person and providing appropriate incentive through wages and bonuses. From now on, the wage funds of production and business units will be dependent upon the results of the unit's business operations. Consequently, production and business units must closely tie the payment of wages to reorganizing and restructuring production, to reorganizing labor along rational lines, to the application of scientifically based labor quotas and to the effective use of the various forms and types of wages. Administrative and work units must urgently establish and apply professional standards for civil servants in order to create a new atmosphere within the corps of cadres and civil servants.

2. Strengthening the management of the market and prices and resolutely combating each act of speculation, black marketing and disruption of the market with the aim of protecting the real wages of state cadres, manual workers and civil servants.

To fully develop upon the positive impact of the new wage policy in production and everyday life, it is of utmost importance that the state take every available economic and administrative measure to protect the real wages of cadres, manual workers and civil servants. Only by protecting the real wages of manual workers and civil servants is it possible to generate enthusiasm for work and production, possible to unleash a movement to raise labor productivity throughout society.

Therefore, all sectors, levels and production and business units must, on the one hand, make every effort to develop production in order to produce a supply of goods that correspond to the new wage fund. On the other hand, they must expand the state-operated commerce and marketing cooperative networks, expand socialist services, strengthen the management of and gradually stabilize the market and prices and effectively eliminate speculation, black marketing and other actions that disrupt the market. The state must, mainly by means of economic measures, control the flow of goods and money, control the market and prices. This is the basic prerequisite to protecting the real wages of manual workers and civil servants.

At present, one very pressing problem that has arisen and must be resolved in the management of the market and prices is the problem posed by speculators, black marketers and other actions that disrupt the market. Down through the years, especially since the promulgation by the state of a number of resolutions, policies and measures to "strengthen the socialist market, strengthen the management of the market and combat speculation and illegal trade," state agencies have taken many determined steps combined with economic and administrative measures to punish these persons who earn their livings illegally. However, since the money exchange, speculators, black marketers, hoarders, persons who deal in illegal goods and persons who make and sell fake goods, taking advantage of the new wage policy and the price scale adjustment policy, have been buying up goods at a hectic pace, especially essential goods, thus pushing up market prices, causing disorder on the market and creating a psychology of instability among the various strata of the people.

Therefore, against the background of society today, the struggle against speculation and black marketing has become a front of critical and very pressing importance. Now, speculators and black marketers have shown themselves to be economic saboteurs, saboteurs of the work of building the country. Now, more than ever before, the combined strength of the proletarian dictatorship state must be employed to severely punish them. All these persons, be they bourgeoisie or not, are persons who must be prosecuted under criminal law. At the same time, we must combat the negative phenomena inside state agencies and rid ourselves of deviant, degenerate cadres who conspire and align themselves with speculators and black marketers who earn their living illegally.

In the present situation, the immediate, emergency task of central importance in managing the market is to redouble our efforts in the struggle to maintain the new price scale and control the market. The thrust of this struggle must be directed toward harshly punishing speculators and black marketers and eliminating the negative phenomena on the market with a view toward developing upon the positive impact of the new wage policy and protecting the purchasing

power of the new currency. Strict price discipline must be practiced within the management and business organizations of the state. Prices must be posted and goods must be sold at posted prices within the system of state and private stores. Socialist commerce must quickly grow, in both breadth and depth, and truly become the master of the market. The state must procure all grain, food products and goods for distribution to meet the needs of society; continue to intensify the socialist transformation of private industry and commerce; remove private merchants from long distance trade; and insure that the organized circulation of goods is carried out rapidly and supports the production and lives of the people well. Rapid growth by the forces of socialist commerce is the decisive prerequisite to eliminating speculation and black marketing, stabilizing market prices and protecting the real wage of the wage earner.

This change in the wage policy in conjunction with the adjustments made to the system of state prices truly represent an important economic reform, one that opens the way for the implementation of the resolution of the 8th Plenum of the 5th Party Central Committee. It is a blow to bureaucracy and subsidization and creates favorable conditions for changing and improving the various elements of the management system, for shifting all economic activities to economic accounting and socialist business practices and quickly establishing the new management system. Consequently, the new wage policy is an important economic lever in encouraging everyone to work and produce with enthusiasm, achieve higher productivity, practice frugality and implement the slogan: everyone works with high productivity, quality and efficiency.

#### FOOTNOTES

1. V.I. Lenin: "Collected Works," Russian version, 4th printing, Volume 33, pp 29-37.
2. V.I. Lenin: "Collected Works," Su That Publishing House, Hanoi, 1968, Volume 29, p 478.

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THOROUGHLY UNDERSTANDING THE PARTY'S VIEWS IN THE ADJUSTMENTS MADE TO THE PRICE SYSTEM

Hanoi TAP CHI CONG SAN in Vietnamese No 11, Nov 85 pp 40-42

[Article by Tran Xuan]

[Text] Completely dismantling bureaucratic centralism and subsidization and correctly implementing democratic centralism, thereby creating the conditions for quickly shifting the entire economy to economic accounting and socialist business practices, are the essence of the resolution of the 8th Plenum of the 5th Party Central Committee.

Shifting the entire economic management system away from bureaucracy and subsidization to economic accounting and socialist business practices are a change of profound revolutionary significance, one that is aimed at stimulating the development of production within a rational structure and developing each potential that lies in our labor, arable land, sectors, trades and existing material-technical bases in order to strongly develop production and achieve higher productivity, quality and efficiency.

Eliminating the bureaucratic centralism and subsidization that exist within prices and wages is an exceedingly urgent requirement, is the breakthrough of decisive significance that must be made among the series of problems that must be resolved in order to shift the entire economy to economic accounting and socialist business practices. The adjustments made to the price scale this time establish a system of state prices for the most important social products within the economy in order to establish a new and more suitable price scale and create favorable conditions for developing production, expanding the circulation of goods, instituting accounting and general accounting for the entire national economy and implementing socialist business practices, the foremost targets of which are productivity, quality and efficiency.

The adjustments made to the price scale were based on the following principles:

--Establishing prices that are consistent with value and with the actual purchasing power of the dong. Prices must reflect each and every rational cost that society truly needs to incur in production and circulation. All costs, including the expenditure of labor and the consumption of materials



under rational ceilings that reflect actual consumption, must be included in the prices of materials and goods. At the same time, these prices cannot be lower or higher than the actual purchasing power of the dong. Through accounting and business practices based on the new management system, efforts must be made to reduce costs and raise labor productivity in order to carry out the formation of capital for socialist industrialization.

--Setting prices on the basis of the plan being the center of operations, implementing economic accounting and socialist business practices and taking the initiative in applying the law of value and the law of supply and demand to insure that the state plan is implemented.

--Making the price of paddy the standard for calculating the prices of the other types of agricultural products and adjusting the entire price scale. There must be a rational division of functions and responsibilities concerning the management of prices, one that is consistent with economic development in the initial stage of the period of transition to socialism.

The procurement prices paid for grain and other agricultural products must reflect and help to implement the line on developing an agriculture that has a rational industrial-agricultural structure; reflect the alliance between workers and farmers under the new conditions of the proletarian dictatorship state; reflect the correct relationship between capital formation and consumption; and create the conditions for both agriculture and industry to develop and the living conditions of both farmers and workers to be improved.

The procurement prices paid for grain and other agricultural products are based on negotiations between the state and farmers, insure that producers cover all costs and provide them with a reasonable profit in order to provide incentive for farmers to produce. Procurement prices include a regional differential to encourage the development of specialized farming areas and new economic zones, with importance attached to areas that specialize in rice production. Thus, there are three factors that determine the procurement prices paid for grain and agricultural products: production costs within each area, the profit of the producer and supply-demand for the type of product being procured during each production season. Paddy procurement prices during each production season will be adjusted on the basis of the specific crop situation and supply and demand within each area.

The principle behind the adjustments to the price scale for industrial materials and goods is to fully calculate production costs, which include costs related to the means of production and the new wages being paid within the production sector. However, setting the prices of these products is a more complicated matter. To fully include all reasonable costs in production costs, it is necessary to begin by fully and correctly calculating all costs related to "input" factors. Due to many different reasons, production costs consist of costs that are irrational, for example, the costs of raw materials, building materials and supplies are too high; the expenditure of labor is too high; the utilization of equipment and machine capacity is very low; the indirect apparatus is cumbersome; the indirect workforce is large, etc. As a result, the productivity, quality and efficiency of production and business are low. Besides this, the mechanism by which production costs are approved

and selling prices are set does not create the conditions needed to keep an accurate accounting of production costs. Consequently, if we were to include all costs at new prices and the new wages, production costs would soar; at the same time, the price of one product would "creep into" the production costs of another product, which would set off a chain reaction and cause the production costs of all industrial products and exported goods and transportation charges to rise to very high levels compared to the price scale that has been formed on the social market. And, as a result, the "output" would also not be acceptable to society and the price of paddy would no longer be the standard for the new price scale because the resulting widespread and large increases in market prices would force up the price of paddy and other agricultural products. If we were to fully calculate all irrational cost "input" factors and adjust for these factors on the "output" end by setting product marketing prices on the basis of what is acceptable to society, the selling prices of many important products would be lower than the base price and the state budget would be unable to compensate for the resulting very large losses. On the other hand, if we were to compensate for losses on the "input" end but not on the "output" end, we would essential fail to dismantle subsidization. The adjustments to prices would then fall into a vicious circle and fail to meet the established objective.

The actual situation forces us to select a transitional solution that prevents production costs, product marketing prices, retail consumer goods prices and the service prices of the state from exceeding the purchasing power of society, from carrying market prices beyond acceptable levels and from upsetting important economic relationships, especially the relationship between workers and farmers and the relationship between prices and wages. Consequently, the best approach to take is to set the prices of imported materials and the prices of other primary means of production on the basis of the price scale and price relations forming on the social market.

Thus:

--On the average, the comparative value within the internal balance of accounts for export goods is higher than for import goods. That is, one unit in foreign currency of imported materials and goods is sold domestically at a price lower than the amount of Vietnamese currency spent by us to procure the export goods needed to earn this one unit in foreign currency. The state budget must continue to carry this loss compensation account, but the compensation paid will be less than previously. As regards the difference in comparative value between the groups of export goods and the various types of import goods, the state will enact export-import taxes that will encourage exports, spur efforts to improve the makeup of exports and encourage frugality in the consumption of imported goods.

--Fixed assets depreciation is only being fully calculated for major repair work. Capital depreciation is only being calculated at a low rate, a rate too low to meet the need to replace fixed assets.

--The prices of materials for production and the retail prices of some industrial consumer goods are set at levels that require compensation for losses to some degree.

While urgently promoting the adjustments being made to the price scale this time, we are forced to satisfy ourselves with a transitional solution and accept a price level and comparative values that are not truly correct in order for production and business to operate normally and not stagnate. And, therefore, the state budget must continue to compensate for rather large losses but the rate of compensation will be less and the scope of compensation will be smaller. The formation of correct prices and correct internal balance comparative values entails a process. For the immediate future, we must continue to utilize transitional measures and will be unable to completely eliminate subsidization. For this reason, we are even more clearly aware of the pressing need to struggle to eventually achieve correct prices and totally eliminate subsidization. This process also provides time for basic units and enterprises, which can still do very much to reduce their production costs, during which they can take the initiative in reducing their production costs and achieving higher productivity, quality and efficiency in production and business. And, within a relatively short amount of time, national production costs will be established, that is, production costs which correctly and fully include all necessary costs incurred in the production of products.

Prices are the tool used to practice accounting and manage the economy. To develop upon the positive impact of the adjustments to prices, we must endeavor to maintain the new price system with the aim of stabilizing prices, which is an important element in stabilizing the economic situation and living conditions. To accomplish this, we must succeed in achieving state control of the market, most importantly control of grain and the other essential goods and materials, thereby insuring that goods are controlled at their source and distributed directly to consumers, that the market and prices are closely managed and that efforts are made to stabilize the market and prices. The well coordinated adjustments made to the price system and the new wage policy will provide cadres, manual workers and the armed forces with a better standard of living. The money exchange will help the state effectively manage money and meet the money circulation requirements of the new price and wage scales, which are exceedingly favorable factors for controlling goods, controlling money, controlling the market and stabilizing prices.

The adjustments made to the price system this time, which are a step in concretizing the resolution of the 8th Party Plenum, reflect revolutionary determination to dismantle bureaucracy and subsidization and create favorable conditions for while demanding the improvement of all elements of the management system, the shifting of all economic activities to economic accounting and socialist business practices and the formation of the new management system at an early date with a view toward stimulating the development of the economy in depth and developing each existing production potential better.

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## REVISING OUR ECONOMIC THINKING

Hanoi TAP CHI CONG SAN in Vietnamese No 11, Nov 85 pp 43-48

[Article by Nguyen Dang Quang]

[Text] Part I.

The resolution of the 8th Plenum of the 5th Party Central Committee on "prices-wages-money," which calls for the thorough dismantling of bureaucratic centralism and subsidization and a complete shift to economic accounting and socialist business practices, is a resolution of both practical and theoretical importance, a resolution that marks growth by our party and people in comprehending the laws of socialism and applying these laws in the realities of socio-economic leadership and management in our country.

To implement this resolution of the Party Central Committee, we must undertake, in a way that is well coordinated, many complicated organizational and ideological jobs in the fields of both practice and theory. Of paramount importance among these jobs is the task of revising the economic thinking of all working persons, beginning with leadership cadres and economic management cadres. What makes this job important is the relatively independent way that social consciousness develops. Our economic life during the past 10 years has proven that conservative, immature and outmoded aspects of our economic thinking have been one of the main factors impeding the process of revising our economic policy and revamping the economic management system to be consistent with the economic and financial conditions of our country, which fundamentally changed with the liberation of the South. This outmoded thinking, which is still prevalent on many levels of power, has constrained, threatened and even attacked new factors in production and business. It has forced laws to "worm their way in" and caused the dynamism and creativity of the masses, of basic units to take the form of "climbing down fences," to take "unlawful" forms.

However, objective laws ultimately prevail. Social consciousness not only has its backward aspects, but is also capable of leaping ahead to hasten the solution of social and economic issues that have come to the fore. Compelled by life and unwilling to allow the old management system to perpetually tie their hands, some localities, such as Ho Chi Minh City, Haiphong, Long An Province and Quang Nam-Da Nang Province, and a number of basic production and

business units, such as the Thanh Cong Textile Mill in Ho Chi Minh City and the Exported Leather Shoe Enterprise in Hanoi, adopted, on the basis of the party's line, a new way of thinking in order to develop a new method of operating. Through this approach, a new style of economic thinking gradually emerged in economic practice, a style that was then generalized as theoretical viewpoints and given specific form as an economic management system, as production-business policies and regulations. It is an approach that has combined the "bottom and top," combined the thinking of the party and the sentiments of the people, combined awareness and spontaneity, combined leadership and ownership in the process of recognizing and applying economic laws.

Thus, our economic life during the past 10 years has clearly shown us the enormous impact that economic thinking has upon the management system and economic activity. If this thinking is an outmoded framework, it retards the process of renovating the economic management system and creates conservatism, inertia, rigidity and ineffectiveness in the management of economic processes. If it is a new factor that conforms with laws, economic thinking makes a decisive contribution in the establishment of a new management system, creates a state of dynamism and creativity among managers and eliminates bureaucracy, subsidization and the practice of relying upon others in production and business.

Our party has long recognized the need to dismantle bureaucratic centralism and subsidization and implement economic accounting and socialist business practices. However, it was not until the adoption of the resolution of the 8th Plenum of the 5th Party Central Committee that we clearly established the following: "It is necessary to completely dismantle bureaucratic centralism and subsidization and implement democratic centralism, economic accounting and socialist business practices as this is the only way that we can accelerate production and business in an efficient manner. This delay was due to many objective and subjective reasons, two of which stemmed directly from the level of our economic thinking: first, subsidization, although in some respects inevitable during the war, lasted for 30 years and became a habit, a part of our thinking, a part of our way of life and our approach to socio-economic management. Activities related to economic theory and instruction in economics have also been carried out against this background and in line with this system. Therefore, both practice as well as theory have created in our consciousness a style of economic thinking that has a very profound bias toward bureaucratic centralism and subsidization that cannot be easily eliminated. Secondly, the new style of economic thinking itself is only in the process of forming. Many points have yet to be clearly defined from the standpoint of theory and a sufficient practical model of this thinking does not yet exist. In terms of viewpoint, this style of thinking is relatively clear. However, in terms of the specific points in this thinking, there are still many obstacles to be overcome, the most difficult of which are prices-wages-money, the market and economic interests.

Therefore, to reform the economic system, we must reform our economic thinking. To reform our economic thinking, we must clarify and then eliminate those points in our old way of thinking that are outmoded, must illuminate the character and characteristics of the new thinking--scientific economic

thinking that is consistent with the initial stage of the period of transition in our country.

## Part II.

What is economic thinking? In brief, it can be defined as follows: economic thinking is the ability to recognize and apply objective laws (most importantly economic laws) to set a direction that is correct in the complex life of the economy and organize production and business activities in a way that is skillful and efficient.

Every stage of development of the economy, or every economic management system, demands a certain style of economic thinking, a style that is compatible with the stage or system. Therefore, each shift by the economy to a new stage or each change in the management system is accompanied by refinements or improvements in economic thinking. In the Soviet Union, now that the economy has shifted from development in breadth to development in depth, the main, most immediate requirement is to intensify the teaching of economics to the worker in order to cultivate modern economic thinking.

Economic thinking is organically tied to the economic activities of man. Economic thinking is a factor that is part of the very process of economic activity. As that which guides economic activities, economic thinking is a factor before, during and after all economic activities.

Economic thinking can be divided into the following five levels based on the scope and nature of economic activity:

- Theoretical level economic thinking;
- Strategic level economic thinking;
- Policy level economic thinking;
- Business level economic thinking;
- The economic thinking of the ordinary worker.

Each level of economic thinking has its own special characteristics and is, at the same time, closely linked to the other levels of thinking to form a system. Weaknesses in any level affect the entire system. For example, delays in the development of economic thinking on the theoretical level create difficulties on all the other levels of thinking. Unresolved problems in economic thinking on the policy level create very many difficulties for business level economic thinking. When scientific economic thinking is being formulated, it is necessary to correct this practice of "pulling in different directions."

To fully analyze the old and the new in economic thinking, we must also clarify the structure of this thinking. From the standpoint of structure, economic thinking consists of four main components:

- Viewpoints;
- Economic concepts and laws;
- The mode of thinking;
- The quality of thinking.

Let us examine each of these components and show the requirements that apply to each with regard to revising our economic thinking.

First: viewpoints, which are mainly those that relate to the political world view, which constitutes the very essence of economic thinking. In socialist economic thinking, the major portion of these views consists of the fundamental principles of Marxism-Leninism (in all three component parts) and the line of the communist party. Here, the shortcomings of the old economic thinking are manifested in the following areas: from the standpoint of world view, subjective voluntarism and a rigid, simplistic approach are still factors; from the standpoint of political economics, incorrect concepts exist concerning a number of economic relations and economic laws (for example, commodity relations, the law of value and so forth), politics generally takes precedence over economics and this has caused economic thinking to become non-economic thinking; as regards socialism, there are some immature and illusory concepts that are characteristic of sentimental socialism, of egalitarian socialism; in terms of policy, there is a less than thorough understanding of or a failure to concretize the view concerning collective ownership, the view on dismantling bureaucratic centralism and subsidization, the view on the various interests being in harmony, etc. Therefore, correcting these shortcomings is also a matter of revising our economic thinking.

Secondly, economic concepts and laws, which form the substance of economic thinking: when discussing thinking, we are discussing a body of concepts. Without this body of concepts, no process of thinking can occur. Every economic law must also be expressed through an established group of economic concepts. Economic thinking is distinguished from the other forms of theoretical thinking by the fact that its concepts and laws encompass more than just the essence of economic relations. They constitute a multi-layer system of concepts and laws that encompass everything from the essence of economic life to its forms of expression. In other words, in economic thinking, economic laws no longer exist as abstract formulas but are translated into the language of life. The essence assumes a form that everyone can feel. Here, the outmoded aspects of our economic thinking are manifested as follows:

--Our thinking has proceeded on the basis of non-economic concepts, such as "allotments," "contributions," "procurements," "supply" and so forth.

--We have steered away from economic concepts associated with cost accounting and business practices, with material interests.

--We have rejected or seriously violated the law of value, the law of distribution in accordance with labor, commodity relations, the law of supply and demand and the role of the market, prices and wages.

--There is still a lack of understanding or an incorrect understanding of the economic concepts associated with the initial stage of the period of transition in our country.

--Obstacles are still being encountered that prevent us from recognizing and applying economic tools and levers (prices, wages, profits and so forth) in planning.

To formulate scientific economic thinking that is compatible with the initial stage of the period of transition and with the accounting-business system, we must focus our intelligence on reforming, amending, correcting and perfecting the body of economic concepts and laws and removing from it those concepts and viewpoints that arose from the system of bureaucratic centralism and subsidization and have now become outmoded. This requirement will not be easy to meet but we must begin taking urgent and positive steps in this direction. For example, we must establish the system of basic concepts (the plan-accounting-business practices-interests-transformation and so forth). On this basis, we must establish a far reaching, increasingly detailed linear series of concepts, layers of concepts which insure that initiative, creativity and timeliness can be displayed on all levels of economic thinking (for example, within the current business system, the concept "distribution" must be expanded into a linear series of concepts: wages, bonuses, social welfare, social allowances, interest rates, income, land rents, profit, the rate of returns from capital, etc.).

All economic concepts currently in use must be re-examined on the basis of the resolutions of the party and the various production-business models that have been reviewed. Numerous concepts must be replaced. For example, "allotments-deliveries" must be replaced by "buying-selling"; "in-kind relations" must be replaced by "commodity-money relations"; "subsidization" must be replaced by "self-supply"; "procurements" must be replaced by "contracts," etc. Economic thinking based largely on political-administrative relations must give way to economic thinking based mainly on economic relations and objective laws. By taking this approach, we will create scientific economic thinking.

Thirdly, the mode of thinking: generally speaking, economic thinking applies the principles of theoretical thinking, of dialectical thinking, the perfect model of which is the economic thinking of K. Marx expressed in "Das Capital." At the same time, economic thinking has a number of important special characteristics that stem from economic activity and the level of economic development. Many highly specialized research projects must be conducted to clearly define these special characteristics. Here, only some initial observations can be presented.

Economic thinking can only begin when there are economic interests, economic information and specific economic objectives and returns. This is an important special characteristic, one that distinguishes economic thinking from philosophical thinking and theoretical thinking in mathematics and the natural sciences. Without economic information, without specific economic objectives and returns, economic thinking remains nothing more than logical deductions, the intent of which is to draw specific economic solutions from the logic of theory, not from the logic of life. Such is anti-economic thinking.

Thinking that is poly-linear--integrated, thinking that is closely tied to a specific economic management system are also special characteristics of



scientific economic thinking. Within the system of bureaucratic centralism and subsidization, there is virtually nothing by way of economic thinking or only economic thinking in form only because, here, the concepts of prices, accounting, losses and profits are applied in name only: profits are fake but losses are real and even the completion of plans is artificially contrived. Under this old system, the various levels of economic thinking are separated one from the other and, in some cases, even contradict and constrain one another.

Within the accounting-business system, each level of economic thinking has its own special characteristics but all are oriented toward a common objective. For example, on the theoretical level, thinking deals primarily with the essence of economic processes, with resolving, in terms of theory and viewpoint, problems that arise from economic practice, thereby establishing a theoretical base and methodology for the other levels of thinking.

Whereas strategic level economic thinking focuses on the development of the motivating forces and basic sources of the economy over long periods of time, business level economic thinking is very clearly of a day-to-day tactical nature and therefore must be very dynamic, very creative and generally fits no pattern at all. Here, thinking occurs when opportunity presents itself, not simply during business hours, occurs in the "market," not within the offices of agencies. Here, thinking occurs in response to the laws of life and does not wait for an order to be issued, for a button to be pushed or the green light to be given. If policy level thinking is characterized by bureaucratic centralism and conservatism, it forces persons to "sneak by," to "climb over fences," to choose that which is rational even though it is known to be unlawful. In summary, business level economic thinking requires the skill of a helmsman at sea. This thinking, while complying with objective laws, must always place the worker in the position of foremost importance and always attach importance to the worker's interests and intelligence, considering these to be the true source of all social wealth and each social value.

The old style of economic thinking defies laws and disregards the position of man within the production system. Within the management system characterized by bureaucratic centralism and subsidization, economic thinking also becomes a kind of monopoly and a form of subsidization.

Fourthly, the quality of economic thinking: this quality creates the unique nature of each person's economic thinking or the features that characterize the style of thinking of different generations or strata of economic cadres. In our country, the maintenance of bureaucratic centralism and subsidization far beyond the time necessary has "created a stratum of conservative, old fashioned cadres who rely upon others, are irresponsible and lack dynamism (...), who, instead of calculating economic efficiency, need only to 'request an allotment' from the upper level, who constantly adhere to outmoded, restrictive regulations and lack creativity in the application of policies and measures to new conditions."(1)

In fact, the tendency to rely upon others, the practice of tying the hands of others, irresponsibility, rigidity and a non-economic approach are commonplace among economic cadres on the executive level. Among economic cadres on the

management level, we find the attitude that they are doing favors for others, an overbearing attitude, a propensity toward issuing orders and imposing requirements upon the lower level, a disregard for economic laws and a disregard for material incentives.

Gratifying is the fact that, over the past 5 years, in the process of combating bureaucratic centralism and subsidization and shifting to economic accounting and socialist business practices, many skilled directors have emerged who think intelligently, bravely and creatively. Their economic thinking is characterized by dynamism, self-confidence and independent thinking based on the perspective of their particular business; daring to be decisive, be creative and assume responsibility, giving attention to finding forces that motivate and stimulating these forces; making economic efficiency the standard of economic thinking and not allowing old theories and outdated regulations to constrain their thinking or the way that they operate. The thinking of these persons is deep in terms of viewpoints and revolutionary in terms of concepts. Their thinking is practical and concrete and reflects the independent attitude of a person whose way of working is that of large-scale production.

### Part III.

Thus, a scientific style of economic thinking has emerged and formed within our country's economic life, a style of thinking that began at basic units. It has been given birth by a difficult process in the struggle being carried out to change and improve the economic management system in order to meet the socio-economic targets set by the party's 5th National Congress of Delegates. It has been enthusiastically welcomed by many persons but has also been reacted against by a number of others. Whereas the resolution of the 6th Plenum of the 4th Party Central Committee announced the birth of the new economic thinking, the resolution of the 8th Plenum of the 5th Party Central Committee announced the decision to apply it in life and officially adopt it in place of the outmoded thinking that existed for too long and caused so much harm to our society.

Thinking is not something that can be imposed. Revising our economic thinking is the task of each person. Awareness will hasten this process.

However, because the old way of thinking has become very deeply entrenched, has become the habit of several decades and because the new style of thinking is only in the process of forming and not all questions concerning each of its component elements or each level of this thinking have been completely answered, the responsibility of research organizations, of centers for theoretical studies and the various training systems is very large. All cadres who were trained and gained their experience under the system of bureaucratic centralism and subsidization must be retrained through appropriate programs. Textbooks must be rewritten, not only those on political economics and economic management, but also books that have been written on scientific socialism and philosophy. Because, the foundation of socialist economic thinking lies in all three component elements of Marxism-Leninism. We should not think that teaching economic thinking to everyone is only the task of Marxist political economics. It was not until after he

shifted from idealism to dialectical materialism, from the stand of revolutionary democracy to the stand of communism that Karl Marx himself was able to delve into the economic field and establish the economic thinking of the proletariat, a style of economic thinking that goes far beyond every preceding level of thinking reached in history.

One interesting and highly effective measure that can be taken is to learn the new thinking through the new factors that have emerged within the economy, through the various economic models that have been affirmed. Regrettably, the effort to review and introduce these models has not been carried out well. In particular, attention has not been given to clearly defining how the process of revising our economic thinking has unfolded and how it has contributed to the creation of these economic models.

The holding of two training classes in the eight directives of the Party Secretariat on agriculture, forestry and fishing is also a good approach to take, one that is essentially a form of training designed to cultivate scientific economic thinking through the realities of a sector.

However, in every job, overexaggerating or simplifying things as well as idealizing the new can lead to mistakes. The new style economic thinking that we call scientific economic thinking, even if it were fully established today, only represents one stage in the continuous development of thinking. Moreover, the shift to the new economic management system is not one marked solely by favorable circumstances. Our economy is in an abnormal stage and changing quickly. Therefore, it is much more difficult to correctly recognize and creatively apply economic laws. But it is this that lies at the heart of economic thinking.

#### FOOTNOTES

1. "Van kien Dai hoi V"[Proceedings of the 5th Congress], Su That Publishing House, Hanoi, 1982, Volume 3, pp 50-51.

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## FORTY YEARS OF DEVELOPING THE OWNERSHIP ROLE OF WORKERS AND FARMERS

Hanoi TAP CHI CONG SAN in Vietnamese No 11, Nov 85 pp 49-53

[Article by Nguyen Huu Dao]

[Text] During the past 40 years, under the correct leadership of our party headed by the great President Ho Chi Minh, our people have written the most beautiful chapters in their history and brought our country into a new era, the era of national independence and socialism.

The brilliant victories won by our people over the past 40 years have been the result of many factors, among which one very important factor has been the high degree to which our party has developed the ownership role of the working class and farmers in the course of the revolutionary struggle. As a result of this, the working class and farmers acquired enormous strength and truly became the force of activists within the united bloc of all the people. They have achieved a combined strength that has helped our people overcome countless difficulties and challenges, win victory over every enemy aggressor, win independence and freedom and advance toward socialism.

With the successful August Revolution in 1945, the People's Democratic Administration was established in our country. This was one of the most important turning points in our nation's history. The mass of laboring people in our country, once slaves, once persons who worked for hire, became the true masters of their lives.

However, since shortly after the August Revolution, our people have fought almost continuously against long and fierce wars of aggression and sabotage waged by the enemy, first by the French colonialists, then by the U.S. imperialists and then by the Chinese expansionists and hegemonists and their lackey clique.

In the 40 years that they have been following the clearsighted leadership of the party, the workers and farmers of our country have strongly developed their ownership role in the establishment and consolidation of the revolutionary administration as well as in each field of production and combat.

In fact, following the August Revolution, immediately after it was born, our very young administration had to contend with countless difficulties caused by domestic and foreign enemies. Along with all the people, the working class and farmers, the main force in our country's revolution and its most enthusiastic participants, arose and defended the revolutionary administration with everything at their disposal. As a result, the revolutionary administration was not "crushed in its infancy" as desired by the enemy, but was rapidly strengthened from the central to the basic levels.

The first general election, which was held to elect the National Assembly, and their participation in drafting the Constitution of the Democratic Republic of Vietnam were a very clear expression of the role played by workers and farmers as the masters of the country. Displaying their spirit of ownership, workers and farmers eagerly joined the national defense force and security organizations, as a result of which our revolutionary armed forces grew quickly and were strong enough to crush many organizations of Vietnamese traitors and reactionaries. At the same time, workers and farmers actively participated in the various movements to wipe out the enemies of ignorance and hunger and began making inroads on several fronts at once.

In response to President Ho's appeal for a nationwide war of resistance against the French colonialist aggressors, 1 million able-bodied youths, mainly workers and farmers, eagerly joined self-defense, militia, guerrilla and troop units. A sizable force of workers transported tens of thousands of tons of machinery and equipment into the mountainous jungles to produce weapons, ammunition... and build the resistance war industry. By 1947, in the national defense industry alone, the working class had built 168 arsenals and established thousands of sections to produce and repair small weapons within the various localities with a view toward promptly equipping the people's armed forces for the fight against the French colonialist aggressors.

By 1950-1951, many new products had emerged within the national defense industry, such as KT bullet presses, gunpowder mixing machines, lathes, etc. A number of important industrial sectors came into being. The makeup of the administration, from the central to the basic levels, included a rather high percentage of workers and farmers. They accounted for 20 percent of the members of people's councils on the provincial and municipal levels and from 33 to 72 percent of the members of the people's councils on the village level.

During the final years of the resistance against France, the working class and farmers made increasingly large contributions to the resistance. In the 9 major campaigns that were conducted (the border, midlands, Route 18, Ha Nam Ninh, Hoa Binh, Northwest, Upper Laos, Central Highlands and Dien Bien Phu campaigns), 1,741,381 farmers participated as corvee laborers and worked a total of 53,301,570 mandays. Between 1950 and 1954, farmers in the free zone contributed to the state 1.5 million tons of paddy in taxes (this figure does not include the corn, potatoes, cassava and food products contributed by them). In particular, the farmers within the occupied zone in the seven provinces of the Red River Delta, although tightly controlled by the enemy, sent to the free zone some 200,000 tons of paddy and contributed 7.5 million mandays to support the frontlines. Workers produced many weapons, much ammunition and other products to support the resistance.

Augmented by an increasingly large force of sons and daughters of the working class and farmers, our people's armed forces steadily grew from small units into powerful divisions. They acquired the ability to conduct and insure victory in large-scale, lengthy campaigns, typical among which was the 1953-1954 winter-spring strategic offensive, the highpoint of which was the historic Dien Bien Phu campaign.

Following the signing of the Geneva Agreement in 1954, although the strategic tasks of the revolution in the two regions of our country differed, they were closely interconnected, had an impact upon each other and were designed to achieve common goals: defending the North, liberating the South, reunifying the country and setting the entire country on the path to socialism. In view of these circumstances, advancing to socialism from a backward agricultural economy meant that the working class and laboring farmers of the North faced a difficult struggle in gradually upgrading the economy to large-scale, socialist production.

By undertaking socialist industrialization to build socialism in the North and establish a solid base of support for the cause of liberating the South and reunifying the country, the working class of the North gave clear expression to their role as masters of the country by building a relatively well developed industrial system, a system that included a number of modern sectors and produced means of production to retool the national economy and for exportation. By 1975, the working class, which had begun as a very small force of workers whose educational, scientific-technical and professional qualifications were inadequate, had developed into a large force of workers who possessed stable political thinking, rather high educational, scientific-technical and professional standards and the ability to solve many difficult and complex technical problems encountered in the process of developing production.

To make positive contributions to socialist industrialization, the central task, and build upon the victory of agrarian reform, laboring farmers enthusiastically participated in the socialist transformation of agriculture, embarked on the path of earning their livings collectively, developed agricultural production and became socialist collective farmers. As a result, the position of the North's farmers from the standpoint of their role as masters of the country was changed and improved and farmers acquired the basic conditions needed to join the working class in continuing to develop upon their role as masters in accordance with the requirements of socialism.

In conjunction with taking positive steps to accelerate production in order to build socialism, the working class and the class of collective farmers in the North, along with their fellow countrymen in the fraternal South, directly fought the U.S. imperialist aggressors. In the fight against the war of destruction waged by the U.S. invaders against the North, every factory, enterprise, worksite, state farm, forestry site and cooperative truly became a fortress "determined to fight and win victory over the U.S. aggressors." Worker self-defense units and guerrilla militia units in all localities of the North recorded many outstanding feats of arms: many aircraft were set afire, many warships were sunk and many pilots were captured (during the two phases

of U.S. attacks against the North--1965-1968 and 1972--worker self-defense units alone shot down 113 of their aircraft).

Primarily an army of sons and daughters of the working class and class of collective farmers, our people's armed forces encompassed three elements of the military with strong main force military corps, modern technical branches and services and cadres and soldiers who are rich in patriotism and love of socialism, whose educational, scientific and technical standards are quite high and who have become increasingly proficient in the use of relatively modern and modern equipment and weapons. In the resistance against the United States for national salvation, the class of collective farmers in the North sent millions of their sons and daughters into the people's armed forces and mobilized an enormous quantity of materiel, including tens of millions of tons of grain and food, for the resistance. By building the socialist North into a rear area that was solid and strong in every respect, by wholeheartedly supporting the revolution in the South, the working class and class of collective farmers in the North made exceedingly important contributions to the great victory of the general offensive in the spring of 1975, the pinnacle of which was the historic Ho Chi Minh campaign. This was a turning point that put the working class and the class of collective farmers, put all our people in the position of being the masters of the entire country in every respect, the masters of the entire country amidst independence, freedom and socialism.

The role of the working class and collective farmers as the political masters is evident in the fact that representatives of theirs have accounted for an appropriate and growing percentage of the representatives elected to the agencies of the state. Of the 366 deputies elected to the 3rd National Assembly in 1964, 71 were workers and 96 were farmers. Of the 420 deputies elected to the 4th National Assembly in 1971, 91 were workers and 90 were farmers. Of the 424 deputies elected to the 5th National Assembly in 1976, 93 were workers and 90 were farmers. Workers and farmers also account for a considerable percentage of the representatives of the people's councils on the various levels.

Since our entire country became independent and reunified and began advancing toward socialism together, our people, in 10 years marked by more than a few difficulties and obstacles, have been carrying out the two strategic tasks of successfully building socialism and firmly defending the socialist Vietnamese fatherland. Under the correct leadership of the party, the working class and farmers of our entire country have been and are developing upon their role as masters in order to carry out the tasks set forth by the party. In 1984, the 3.5 million manual workers and civil servants of our country, who make up 6 percent of the population and 16 percent of society's labor force, produced 37 percent of total national income and provided 65.1 percent of state budget revenues. As regards farmers, 96.6 percent of the total number of farm households in the northern provinces are members of agricultural cooperatives (88.4 percent of households are members of high level cooperatives); in the southern provinces, 52 percent of the total number of farm households and more than 40 percent of all cropland have been brought into collective production. Together with the consolidation and development of the agricultural cooperativization movement, production in the countryside is taking new strides forward. Many agricultural cooperatives have achieved average yields

of 10 tons of paddy per hectare under cultivation. In recent years, the value of total agricultural output has risen relatively rapidly. And, along with the other strata of the people, our country's working class and farmers have been and are contributing manpower and materiel to maintain the fatherland's sovereignty over its borders and fight the war of encroachment and occupation and the wide-ranging war of sabotage being waged by the Chinese expansionists and hegemonists.

During the past 40 years, the ownership role of the working class and farmers of our country has been brought to a high level of development mainly as a result of the concern and leadership provided by our party. On the basis of the principles of Marxism-Leninism and clearly aware of the country's circumstances, our party correctly assessed the position and role of the working class and farmers. On the basis of confidence in their political awareness and revolutionary will, it has stressed the importance of their role as masters. At the same time, it has adopted specific, appropriate lines and policies during each period of the revolution with the aims of developing their strength to a high degree and satisfying their vital interests.

Our party holds that the working class is the class that leads the revolution through its party, is the only class capable of leading the people in arising and becoming the masters of their destiny, is a class whose basic interests are identical to those of the other strata of the laboring people. The issues of the revolution must always be resolved from the perspective of the stand and viewpoint of the working class. On the other hand, the party also has a high assessment of the revolutionary spirit and ownership role of laboring farmers.

The farmers of our country possess a very high national spirit and ardent patriotism. They have wholeheartedly followed the party ever since its founding more than one-half century ago and have established ever closer ties with the working class. Along with the working class, they have truly become the largest and most powerful force of our people in the cause of winning independence and freedom and advancing to socialism. Farmers are truly the natural, very dependable ally of the working class. In the course of following the revolution, farmers have not only pressed demands for cropland, but also for national independence and fundamental changes in the hard life that they have been living for generations, demands to build the new society and advance to socialism. Therefore, our party has always concerned itself with establishing a satisfactory balance between the interests of workers and those of farmers by strongly developing their role as masters and creating the conditions for farmers to contribute to the nation's common cause. Our party has attached importance to struggling against both "leftism" and rightism regarding the farmer issue. In particular, it has fought the attitude of ignoring the enormous revolutionary capabilities of farmers. It has also given its attention to the struggle against confusing the alliance of workers and farmers with the front policy, against rightism in the front policy, against pursuing an "upper stratum policy"...which have influenced the process of awakening and mobilizing the powerful revolutionary forces of farmers. At the same time, the party has also fought tendencies to follow the masses and relax the party's leadership in establishing the alliance of workers and farmers. Therefore, the working class in our country, although not large, has



greatly increased its strength as a result of closely aligning itself with farmers. Farmers, a large but decentralized force, have become a very powerful revolutionary force as a result of aligning themselves with the working class and following the leadership of the party.

In the various periods of the revolution, our party, on the basis of this solid and strong alliance of workers and farmers, who have truly been the force of activists within the united bloc of all the people, has brought each stratum of the people together, united the various nationalities, religions and patriotic political parties, won the support of all forces at odds with the common enemies of the nation, formed and built a broad united national front and achieved the large combined strength of the entire country in order to win victory over the enemy and successfully carry out each task of the revolution. As a result, our party's right to lead the revolution has become ever more firmly established. During the past 40 years, our party's political prestige and its right to lead have been absolute because they stem from the strength of the entire nation, the nucleus of which is the alliance of workers and farmers.

Today, under the leadership of the party, the working class and farmers of our country are continuing to develop upon their role as the collective masters in the work of building socialism and defending the socialist Vietnamese fatherland. This is one of the basic guarantees that our people will win many more victories.

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## CONCERNING THE MATTER OF RAISING THE QUALITY OF CONFERENCES

Hanoi TAP CHI CONG SAN in Vietnamese No 11, Nov 85 pp 54-55

[Article by Phan Van Dang]

[Text] It can be said that the quality of conferences is a measurement of the ability of the various party committee echelons and sectors to lead and guide. Thus, to which matters concerning the quality of conferences must our attention be given?

A most honest answer to this question can be found by examining the disappointment that some cadres feel after attending some conferences. The general attitude among cadres attending a conference is that they want to have the true situation accurately reported to them and specific causes clearly analyzed so that appropriate steps can then be taken to solve difficulties, develop upon things that are good and correct and prevent things that are not good. In this way, understanding is deepened, thinking is elevated and the ability to organize implementation is improved. However, some conferences fail to satisfy these legitimate desires.

And what is the situation we find at some conferences? The atmosphere at these conferences can be said to be one of boredom and monotony, an atmosphere lacking excitement because much time must be spent reading or listening to reports and proposals, the contents of which do not correctly reflect the actual situation. The contents of these documents are known by heart by virtually everyone attending the conference because they have heard the same thing said many times and have repeated it to others many times when explaining these documents back at their units. But the real problems and difficulties of the locality are never mentioned nor are specific solutions proposed.

The specific figures presented in reports are necessary but these figures must be accompanied by an analysis of the causes of successes and failures. Otherwise, it is difficult to grasp the essence of the situation and we lack the basis needed to develop effective ways to stimulate the development of the situation.

It is also necessary for conferences to set work norms. However, we must realize that these norms cannot become reality if our approach to the work at

hand is not thoroughly discussed, if the thinking and organization required are not clearly defined. Because some conferences are divorced from reality, shortcomings, inertia and obstacles are not thoroughly corrected or overcome. As a result, although the necessary capabilities exist, the results of work can be low compared to requirements. And, also as a result, although the number of conferences held is many, the results of work are not. There are even some jobs that are raised at every conference but still have not been started.

In addition, the quality of conferences is not high because the principle of democratic centralism is not being truly respected. As a result, there is still a lack of democracy and the degree of centralism is also not high at conferences. Differing opinions are not debated in order to shed light on issues and reach clear conclusions. Because, conferences are allowed to "drift," everyone implements resolutions with a different understanding, everyone takes their own approach and there are even cases in which it makes no difference if anything gets done. Because the spirit of responsibility is not high, persons blame one another and self-criticism and criticism are neither bold nor forthright. At some times and places, because democracy is not practiced, the intelligence of the collective is limited to some extent. Cadres who want to present the truth are careful about what they say. Sometimes, leaders not only ignore persons who boldly speak openly, but also develop a prejudice toward such persons.

If, when assessing the situation, we do not boldly take a hard look at facts that are unpleasant, there is no way that things which are pleasant can come to us. When persons maintain that giving much attention to shortcomings is a pessimistic approach that detracts from achievements, reduces confidence and so forth, they are only doing so because they like to be flattered, like to brag about their achievements. These attitudes only serve to limit the ability of the collective, to reduce confidence, to reduce the level of unity and consensus within the collective, not the opposite.

The purpose of evaluating the situation is to improve it. Consequently, it is necessary to have a truly firm grasp of the party's line, to keep abreast of reality, to understand the special characteristics of each place. A capability does not of itself become a reality. It does so only through practical skills. Because, no achievement is accidental, no job only proceeds smoothly and no skill in the art of mobilizing talents can take the place of organizational efforts and still produce the desired results.

Clearly, the quality of conferences cannot be separated from the ability to lead and guide a conference. Only when the quality of conferences is improved can the results of implementation be numerous and good.

The quality of conferences also depends upon how well we observe and keep abreast of changes in the situation as we go about our work. The quality of conferences cannot be improved if our style is bureaucratic, if our approach is cursory, divorced from reality and less than thorough, if we are too lazy to think. The quality of conferences also depends upon the preparations made for conferences. Preparing for a conference entails an entire process, a concentrated effort, not simply compiling perfunctory statistics backed by

general, cursory observations and making copies of the resolution of the upper level. Only by thoroughly preparing for conferences is it possible to avoid one conference duplicating a previous conference, avoid confusing the function of the agency convening the conference.

To improve the quality of conferences, we must make changes and improvements in many areas, proceed systematically, be steadfast in our effort and raise the quality of conferences gradually. The party committees must bring about change first to set an example for the various departments and sectors. The upper levels must set good examples for the lower levels to follow.

Although this is an issue marked by complex problems and difficulties, by displaying a high degree of revolutionary militancy, by being practical and creative, we will surely succeed in bringing about good changes in the quality of conferences.

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## THE CROP INSURANCE CORPORATION AND AGRICULTURAL PRODUCTION WITHIN KIEN AN DISTRICT

Hanoi TAP CHI CONG SAN in Vietnamese No 11, Nov 85 pp 56-61

[Article by Ngo Van Duong]

[Text] In the fields of Kien An District (Haiphong) in recent years, crop pests have become increasingly numerous as the introduction of new, high yield varieties in agricultural production has been accelerated. Pests have reduced the yields of rice by 15 to 20 percent. The quantity of paddy lost to pests each year has been enough to feed several tens of thousands of persons.

One of the reasons for this situation was the fact that crop protection was still organized along the lines of small-scale production, was still being handled separately by each individual agricultural cooperative. Some places failed to strengthen their crop production units in a manner consistent with the new method of contracting and generally left the prevention and control of pests up to cooperative member families. The district crop protection station's operations were subsidized and administrative in nature. The station did not play the role of a scientific and technical center supporting agricultural production within the district. The relations between the district and the agricultural cooperatives with regard to guiding the distribution and use of pesticides were still marked by many shortcomings and did not promptly or effectively support production... As a result, pesticides, the supply of which was small and decentralized and which were not being applied in a technically correct manner, were also being wasted, being used ineffectively and sometimes being used in a way that resulted in the poisoning of workers.

In early 1984, on the basis of the requirements involved in protecting and developing agricultural production, the Kien An District Crop Insurance Corporation came into being as an outgrowth of the district crop protection station.

When it was first established, the corporation had 28 cadres on the state staff and 297 crop protection workers at cooperatives working under contracts to the corporation. The corporation represents a new feature in the division and organization of agricultural labor within the district today. Due to the important nature of their work, 11 of the corporation's 12 agricultural

engineers work in its professional technical section. These key scientific-technical cadres work primarily at basic production units, where they provide direct technical guidance of the activities of the crop protection units within the cooperatives. On the average, each engineer is in charge of 500 to 800 cultivated hectares. Consequently, better results have been achieved in technical management, technical control and the handling of pest situations compared to when each was in charge of thousands of hectares. The cooperatives have selected persons and established a crop protection unit based on each crop protection worker being in charge of 25 hectares of land under cultivation. These workers are paid by the corporation at a contract rate (not to exceed 300 kilograms of grain per season). In terms of the professional and technical aspects of their work, the crop protection units are under the direct management of the corporation. All other aspects of their work are managed by the cooperative. In order to provide unified guidance and close coordination of activities between the corporation and basic production units, the crop protection engineer of the corporation operates under specific weekly and monthly schedules in his work with the deputy director of the cooperative in charge of crop production and the chief of the crop protection unit.

With its primary function being to serve as the state agency that manages crop protection within the district and as a technical service organization that prevents and controls crop pests for agricultural cooperatives, the corporation has the following main tasks: to conduct field investigations, promptly detect pest outbreaks, quickly provide information on the pest situation and effectively prevent and control pests; to formulate plans and select the best ways to protect crops; to thoroughly prepare the pesticides and equipment needed to control pests and promptly initiate efforts to prevent and control pests in fields by many different methods; to work with cooperatives and crop protection units in examining and evaluating the results of pest prevention and control efforts and the implementation of contracts by the various parties, etc.

On the basis of these tasks, the corporation has defined the specific task of each type cadre and technical worker in a way that closely ties the fulfillment of their responsibilities to their interests.

The corporation's mode of operation is to provide crop insurance under responsibility contracts between the corporation and agricultural cooperatives. The director of the cooperative and the director of the Crop Insurance Corporation personally sign a contract with one another as equals and on a voluntary basis. The district people's committee guides the operations of the corporation and also serves as the economic arbitration organization for these contracts.

The corporation's operations are based on the principle of independent cost accounting. The corporation covers its costs through its revenues and sets aside a reasonable percentage of its income to provide insurance funds for the next year. For its first several years, the corporation is temporarily setting the fee to be paid by cooperatives each season at 2 percent of paddy

output as determined by the yield statistics for each area. In subsequent years, maximum cost ceilings will be the basis upon which a reasonable fee rate is set.

Because its activities are in the nature of a technical service, the cost accounting practices of this crop insurance corporation differ from those of corporations within the fields of production and business. Profits do not directly accrue to the corporation but are determined by the increase in paddy output on fields as a result of limiting the losses that would have otherwise been caused by pests.

Crop insurance contracts consist of clauses defining the responsibilities and interests of and the working relationship among corporation cadres, the cooperative management board, the basic crop protection unit and cooperative members in the specific areas of production. The rates at which compensation is paid to the cooperative for damages caused by pests are also stipulated. These rates are based on output statistics for the area. For example, if pest damage amounts to less than 10 percent of the output of the 10th month crop and less than 5 percent of the output of the 5th month-spring crop, the corporation pays no compensation. If the extent of damage is 10 to 20 percent, the cooperative is paid compensation amounting to one-fourth of the damage incurred. If the extent of damage ranges from 30 to 40 percent, the cooperative is paid compensation amounting to one third of the damage incurred. If the extent of damage is 50 percent or more, the cooperative receives compensation amounting to one-half of the damage. If the damage is total, the cooperative is paid compensation by the corporation amounting to 100 percent of the damage incurred.

In the short period that it has been in operation, the Kien An District Crop Insurance Corporation has made important contributions to protecting production and creating the conditions for agriculture to develop in a steady and stable manner. The activities of the corporation have had an impact in many areas:

First, they have significantly reduced the extent of pest damage to crops and made it possible to stabilize grain yields and further increase grain output.

In 1984, especially during the 10th month season, pest damage to rice was many times worse than ever before. Meanwhile, the quantity of pesticides available, including reserve supplies, had not increased compared to previous years and was, in fact, very small compared to how much was needed in production.(1) However, through the positive efforts of the corporation, crops were protected well.

During the 1984 5th month-spring season, the corporation only used 65 percent of the average amount of pesticide used during previous 5th month-spring seasons but held the damage caused by pests at the 24 cooperatives with which it had insurance contracts to an average of less than 5 percent. Meanwhile, at the An Thang Cooperative, which did not enter into a crop insurance contract, damages amounted to 14.6 percent.

During the 1984 10th month season, all 25 agricultural cooperatives took out insurance for all land under the cultivation of rice. Pest damage throughout the district averaged 8.8 percent (1.2 percent below the level allowed). Meanwhile, at other places within the area, pest damage ranged from 17 to 28 percent. It has been estimated that, during the two crop seasons in 1984, as a result of the success achieved in preventing and controlling pests, the district reduced the losses to pests by more than 2,000 tons of grain. This initial result is of important significance because it confirms that we have the ability to protect crops over a large area and shows that agriculture can be protected and pest damage can be controlled despite the limited supply of pesticide being provided to agriculture by the state provided that we know how to distribute, manage and use pesticides effectively and organize pest prevention and control efforts well.

The results of these activities also show that protecting crops is truly an important technical measure in practicing intensive cultivation in order to raise crop yields, a measure that actively contributes to resolving the grain and food problem within the district.

Secondly, through the implementation of crop insurance contracts, the use of "non-specific" contracts in crop protection is combatted and favorable conditions are established for correcting the practice of using "non-specific" contracts in the other areas of production.

Within the crop insurance contract, the correct implementation of technical standards in farming is an important measure in taking a combined approach to the prevention and control of pests. It is also one of the specific criterion for determining the amount of compensation to be paid for damages to cooperatives and each family that enters into a crop production contract. Therefore, the cooperative member must, on his own initiative, meet the requirements regarding planting, cultivation and harvesting as set forth in the planning and the production plan of the cooperative. The cooperative must reorganize its specialized units to bring them in line with current contracting practices. The activities of the corporation have made the cooperative management board and the production unit command section responsible to each other and corrected the laxity that has existed in the management of production. The implementation of crop insurance contracts reflects economic ties between the state-operated and cooperative sectors and has led to closer economic relations between the state and cooperatives and their members. The impact of all these factors upon production has created new, favorable conditions for gradually eliminating the use of "non-specific" contracts in many elements of the production process, thereby helping to gradually perfect the product contract system within agriculture.

Thirdly, having shifted from activities of an administrative, subsidized nature to economic accounting, the Kien An Crop Insurance Corporation has been able to display initiative and creativity, to operate in an effective manner and combine the economic interests of the state, the collective and the individual laborer better.

In 1984, the corporation collected 594.297 tons of paddy in fees from the cooperatives. It dispersed these revenues into its main accounts as follows:



96.27 tons, 16.2 percent of total revenues, were paid to corporation cadres in wages and bonuses; 143.959 tons, 24.2 percent of total revenues, were paid as wages to the 297 specialized crop protection workers at the cooperative; and 243.958 tons, 41 percent of total revenues, were paid as compensation for damages.

Thus, by taking this approach, the corporation has been able to cover production costs, establish additional material-technical bases and establish insurance funds for the next year. On this momentum, in the space of only 5 or 6 years, the corporation will have an insurance fund as large as its revenues in 1984. This will be marked progress because it will represent the end of the ineffective subsidized way of operating of past years. If the other elements of the production process (the preparation of fields, the construction of water conservancy projects, fertilization, the preparation of seed and so forth) are also handled in this way, the district can eventually provide crop insurance in the full sense of the term. In addition, it will also be able to establish grain reserves to guard against crop failures caused by natural disasters. This will also increase the economic potentials of the district and enable the state to take the initiative in helping farmers to quickly overcome the consequences of natural disasters or enemy attacks.

With the adoption of profit and loss accounting, the management and distribution of pesticides have also been improved. Waste and losses have been avoided and the requirements of basic production units have been quickly met. Negative phenomena, embezzlement and much red tape have also been avoided.(2)

The activities of the corporation provide cooperatives and their members with considerable benefits. Compared to previous cost levels, the average contribution to the insurance fund of 25 kilograms of paddy per hectare per season (about 1 kilogram of paddy per .1 mau per season) is quite acceptable to cooperatives and their members. The income of corporation cadres and the specialized crop protection workers at cooperatives has also markedly risen. At cooperatives, each member of the crop protection unit earns an income equivalent to that of a skilled laborer who works under contract. At the Tan Vien Cooperative, one person earned 210 kilograms of paddy in one season from crop protection work.

Fourthly, through the activities of the corporation, scientific-technical cadres are being utilized in the way that best employs their strengths and specialized skills, are motivated by timely material incentives and, as a result, are hard working and truly a part of production. On this basis, the crop protection network has been strengthened from the district to the cooperatives, thus creating the new strength of specialization in labor within the district. The approach of combining the technical cadres of the state and those at agricultural cooperatives, as the Kien An Crop Insurance Corporation has done, represents a flexible and effective application of the guideline "the state and the people working together." As a result of this approach, scientific and technical advances in crop protection have been widely applied within agriculture, which has helped to quickly extinguish pockets of disease in a way that involves low costs but yields high economic returns.

Fifthly, through its efforts to guide the operations of the corporation, the district has gained much experience in organizing other technical services with a view toward providing comprehensive crop insurance encompassing everything from the preparation of fields, the construction of water conservancy projects and the application of fertilizer to the processing of seed and crop protection. Once this has been achieved, the conditions will exist for further accelerating the process of specialization and centralization, thereby helping to steadily advance agriculture to large-scale, socialist production.

The correct direction that has been taken by the Kien An Crop Insurance Corporation and the effective activities that it has been conducting in support of agricultural production have been proven by practice to be a new factor in the way that agricultural technical services are organized within the district. The Kien An District Crop Insurance Corporation has now become a good model, has taken the lead in supporting agriculture in the manner of large-scale, socialist production. This model is being studied and applied with good results by many localities. What is new about this corporation is not only the fact that the model it represents has many strongpoints. More important is the fact that the corporation has boldly introduced an effective way of operating and has defined, in clear and more concrete terms, the specifics involved in building the district level as well as in perfecting the product contract system in agriculture.

From the activities of the corporation, a number of initial experiences can be drawn concerning how to organize crop production technical services.

First, it is necessary to properly prepare for the signing of contracts between the corporation and cooperatives by including in these contracts specific, complete provisions concerning fees and the rates at which compensation is paid for damages and by clearly defining the responsibilities of each party to the contract in the spirit of voluntarily participating as equals in economic relations and cooperating with and assisting one another under the guideline "the state and the people working together."

Secondly, the technical cadres of the corporation must be present at agricultural cooperatives on a regular basis, must dare to take action and dare to assume responsibility for their decisions on how to prevent and control pests. There must be a close relationship among the corporation cadre, the deputy director of the cooperative in charge of crop production and the head of the crop protection unit. The activism, initiative and creativity of cooperatives and their members must be tapped. Cost ceilings and material delivery schedules must be clear and made public. Payment must be fair and made under the supervision of both the corporation and the cooperative.

Thirdly, continual efforts must be made to improve the corporation's organization as required by production and a specific training program must be enacted to gradually raise the specialized and professional standards of cadres from the corporation to basic units. The construction of material-technical bases supporting crop protection efforts must be intensified with the aim of meeting the rising needs of production and advancing agriculture to large-scale, socialist production.

Fourthly, the corporation must prepare and successfully implement material incentives and timely material benefits for workers who are in regular contact with hazardous chemicals.

Fifthly, the district level must provide close guidance so that the operations of the corporation are oriented in the proper direction. At the same time, it must concern itself with promptly resolving difficulties and creating favorable conditions for the corporation and cooperatives to coordinate in the work of protecting crops within the locality.

#### FOOTNOTES

1. In Kien An, pesticide (which includes reserve pesticide) is applied at the average rate of only 1-1.5 kilograms per hectare per season. Meanwhile, cooperatives that record yields of 6 to 8 tons of paddy per hectare per season must use more than 2 kilograms of pesticide per hectare. The current average in other countries of the world is 6.4 kilograms per hectare per season.
2. In the past, due to lax management, pesticides worth tens of thousands of dong were embezzled. The delivery of pesticides from the district to the cooperative sometimes took weeks and made it impossible to wipe out diseases. Now, delivery takes only a few hours.

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## LOOKING BACK ON THE DIPLOMATIC FRONT OVER THE PAST 40 YEARS

Hanoi TAP CHI CONG SAN in Vietnamese No 11, Nov 85 pp 62-68

[Article by Hoang Nguyen]

[Text] On 28 August 1945, the Provisional Government of the Democratic Republic of Vietnam was established. Five days later, 2 September 1945, it presented itself to the people of the country and the world with the immortal Declaration of Independence. In the provisional government, President Ho Chi Minh also held the position of Minister of Foreign Affairs. Since then, the Vietnamese have recorded achievements deserving of pride in their cause of building and defending the country. We defeated two imperialist powers, France and the United States, and have begun to win victory over the Chinese expansionists and hegemonists. Under the direct leadership of the party, the foreign affairs sector has made worthy contributions to these achievements.

One question that has been asked is: what secrets have enabled us to record such remarkable achievements and how has the foreign affairs sector applied these secrets?

### Attacking the Enemy by Combining the Strength of the Nation with the Strength of Our Times

Of basic importance was the need to view the world situation correctly and use this situation to the advantage of the struggle for independence and freedom. Our party asserted that because the Vietnamese revolution was taking place in the age of the transition from capitalism to socialism, especially in the period following World War II, when the three revolutionary currents were being formed and assuming an offensive posture, when imperialism was weakening, it was both necessary and possible for us to use the strength of our times to augment and increase the strength of our nation. To accomplish this, it was necessary for us to firmly take the stand of the proletariat and Marxism-Leninism in order to clearly see the trend of development of the times.

In World War II, even before our state administration had been established, our party stood completely on the side of the forces fighting fascism. And, even before the first victories were won over fascism, our party predicted that the Soviet Union would surely be victorious.

In the 1950's and 1960's, the United States achieved nuclear superiority and became very aggressive and bellicose. Back then, admiration of the United States and fear of the United States were worldwide. Many persons underestimated the capabilities of the three revolutionary currents and the capabilities of people in the face of the modern weapons possessed by the United States. Moreover, a split occurred within the revolutionary movement when Maoism advanced radical "leftist" arguments in a vain attempt to compete for influence with the Soviet Union. This split gave many persons reason for concern. And, they became increasingly pessimistic as they watched the revolution take steps backward at a number of places: the Congo in 1961, Indonesia in 1965, Bolivia in 1967... However, in the assessment of our party, the forces of revolution were still stronger than the forces of the imperialists and reactionaries because the three revolutionary currents were still on the offensive. The Soviet Union had put mankind's first manmade satellite into space, defeating the "massive response" strategy of the United States and its policy of "containing communism." Following the battle of Dien Bien Phu, old style colonialism entered the stage of total collapse and neo-colonialism also began to falter, as we saw in Cuba in 1959 and Laos in 1960-1962.

On the basis of this assessment of the world situation, the party decided to fight the United States, and all of our foreign affairs activities were directed toward the formation of a world people's front united with and supporting Vietnam against the U.S. imperialist aggressors, a front unprecedented in its breadth and size, a front whose nucleus was the Soviet Union. Despite its very ugly, hidden intentions, China had no choice but to aid us as long as the attitude of the United States remained hostile. This was because of China's security interests along its southern border. Moreover, China wanted to use the struggle of our people to serve its own big country interests.

Most deserving of attention is the fact that the world people's front supporting Vietnam against the U.S. imperialist aggressors also included Americans.

The combining of the strength of the nation with the strength of the times was expressed in a way unparalleled in our people's establishment of a fighting alliance with the peoples of fraternal Laos and Cambodia. In the war of resistance against France and then in the resistance against the United States, this alliance surmounted countless challenges, defeated countless devisive efforts by the imperialists and international reactionaries and ultimately brought all three countries to victory at virtually the same time. With the defeat of the efforts of the Chinese expansionists to bring about a final confrontation in Indochina on Cambodian soil, the alliance among the three countries entered a new stage, one marked by the High Level Vientiane Conference held in February 1983.

We achieved success in uniting the people of the world in supporting us against France as well as the United States because our people and the people of the world were in agreement concerning the goals of the struggle and in agreement concerning whom our friends and enemies were. We have always approached the issue of friends and enemies from a stand based in principle,

which is an approach completely different from that taken by those who are constantly changing their friends and enemies for the sake of their selfish national interests.

While struggling for the independence and freedom of our nation, we always attached importance to maintaining world peace. This was one of the reasons why, at a time when many persons were volunteering to come to Vietnam and stand shoulder to shoulder with our people in the fight against the United States, we respectfully thanked them but declined this assistance.

The struggle that we have been waging for the past 10 years against the Chinese expansionists and hegemonists has been a struggle to maintain our national independence; however, it has also been a struggle to maintain peace and security in Southeast Asia. Acting in collaboration with the U.S. imperialists, the Chinese expansionists and hegemonists invaded our country. Then, following their defeat, they launched a wide-ranging war of sabotage against our country and the two countries of Laos and Cambodia. However, the prospect of a Southeast Asia of peace and stability has been made increasingly bright by, on the one hand, the economic and military stability and strength of Vietnam, the remarkable rebirth of Cambodia, the solid unity of the three countries of Indochina together with the good will and desire for peace expressed through numerous constructive proposals made by the three countries and, on the other hand, by the increasingly obvious intention of China to not cease its support of Maoist parties or abandon its ambitions in the South China Sea together with the defeats they have suffered in using the Pol Pot clique and the irreversible rout of these forces.

#### Making Gradual Inroads, Toppling One Contingent at a Time and Advancing To Total Victory

During the past 40 years, the powers that have committed aggression against Vietnam have been imperialist and hegemonist powers whose material potentials have been large. In addition, they have all considered invading Vietnam to be an important part of their global strategy.

France invaded Vietnam not only with the aim of restoring their rule in our country, but also with the aim of maintaining their entire colonial system in the world and then restoring France to the position of a power.

The global strategy of the United States in the 1960's was to oppose the national liberation movement, which the United States considered to be the most serious threat to the interests and position of the United States in the world. To the United States, Vietnam's resistance was a major challenge. A victory by Vietnam over the United States would inspire the national liberation struggle at other places. Therefore, the United States was determined to crush our people's war of resistance, but we were also determined to liberate the South. Consequently, the conflict between our people and the U.S. imperialists was an historic conflict.

In the global strategy of China, Vietnam and Indochina are both the springboard for China in its attempt to achieve hegemony in Southeast Asia and the main tool supporting China's global strategy and its big country role in

the world. Therefore, from 1949 to 1975, China both supported and restrained the Vietnamese revolution. Since 1975, China has taken the place of the United States as regional gendarme and served as the base of support of reactionary powers in Southeast Asia opposed to the revolutions of Vietnam and Indochina. China's policy toward Vietnam and Indochina since 1975 has also been part of its global strategy: collaborating with the United States and the most reactionary powers in opposing the Soviet Union and the world revolution with the aims of acquiring capital and technology from the United States and the West and supporting China's overly ambitious four modernizations plan.

Because of the importance of Vietnam to them, France, the United States and China mobilized the largest forces they possibly could to oppose Vietnam. However, they were unable to put all their forces against Vietnam because of one basic weakness, namely, the unjust nature of their cause, and the many antagonisms they would face if they did. While committing aggression against Vietnam, they also had to devote an important portion of their forces to countering the Soviet Union and other revolutionary forces in the world, countering other imperialist and reactionary powers looking for an opportunity to seize interests from them in other vital regions and countering the people of their own countries. The escalation of the war by the United States against the South and the North was a typical example of how the United States is limited in the use of its power. China mobilized 600,000 troops to invade Vietnam and had to send an even larger force to the region along its border with the Soviet Union and Mongolia.

France attacked Vietnam because of considerations based on global interests but was then defeated. Therefore, in 1954, France saw that it would only suffer heavier defeats if it continued fighting, defeats that would adversely affect France's position in Europe and its interests in the world. These considerations based on global interests forced France to look for a way to end the war at the Geneva Conference.

The United States became involved in Vietnam because Vietnam was the leading edge of the national liberation movement that was threatening the United States. However, the United States was then defeated in Vietnam and forced to withdraw in order avoid a worse defeat, avoid affecting U.S. interests throughout the world even more. But because this was an historic conflict and because the United States was defeated, when it withdrew, the harm to the United States throughout the world was also very serious and the world entered the "post Vietnam period," a period during which the three revolutionary currents have acquired a new strength, a new offensive posture and the imperialists have fallen into a state of crisis, weakness and deep divisions.

The Chinese expansionists and hegemonists first began to smell defeat when they adopted their policy of confrontation with Vietnam. They will suffer even heavier defeats if they obstinately continue to pursue a hostile policy toward our country. Can they not learn from the lessons learned by France and the United States?

As for our people, it was clear that they could not, in the face of enemies who were at first so aggressive and tenacious, quickly win victory over them

and simultaneously achieve all of their own final objectives. We, "in every specific period or every specific situation, must know how to set the most appropriate specific targets, how to guide the struggle on the basis of objective laws in order to achieve these targets with the largest victory possible and open the way for the revolution to advance to new and higher stages and create the surest prospects for final victory."

Foreign affairs activities concretized the victories mentioned above in stages. In 1946, we signed the 6 March Preliminary Accord with France: once a country whose name had been erased from maps, we forced France to recognize Vietnam as a free nation, a nation with its own government, parliament, army and finance system, although still part of the Indochina Union and the French Federation.

In 1954, with the signing of the Geneva Agreement, we achieved a higher victory: France and the imperialists, in general, had to recognize our country as a country possessing all basic national rights: independence, sovereignty, unity and territorial integrity. One half of our country had been completely liberated and was building socialism; the other half temporarily remained under the yoke of U.S. neo-colonialism.

In 1960, in the war of resistance against the United States for national salvation, the National Front for the Liberation of South Vietnam was born with the platform of struggling for a South Vietnam of independence, peace and neutrality and for the eventual peaceful reunification of the fatherland. This platform represented a very skillful tactic: temporarily setting the issue of advancing the South to socialism aside so that efforts could be focused on fighting the U.S. aggressors. This tactic had the effect of highly dividing the ranks of the enemy and winning widespread support for our people at home and in world opinion.

In 1964 and 1965, in its limited war against Vietnam, the United States mounted air attacks on the North and sent troops to invade the South. We adopted slogans that focused on demanding an end to the U.S. bombing of the North. In 1968, the United States was forced to accede to our demands, thus creating favorable conditions for us to build the great rear area in the North.

In 1973, we signed the Paris Agreement with the United States, which helped to fundamentally change the comparison of forces. The 1954 Geneva Agreement required the simultaneous withdrawal of the French army from the North and the Vietnamese army from the South. The 1973 Paris Agreement required the withdrawal of U.S. forces from the South while allowing the army of the North to remain in the South. This was the most decisive of the factors that led to the total victory that was the liberation of South Vietnam in the spring of 1975.

Waging the Struggle on All Three Fronts: Military, Political and Diplomatic

The fight that we waged against our enemies took place on many fronts. In the war of resistance against France, our slogan was: "a full-scale war of resistance." In the resistance against the United States, we waged the



struggle on three fronts: the military front, the political front and the diplomatic front. There were some persons who only wanted us to wage a military struggle. They wanted Vietnam to be at war with the United States so that they could negotiate with the United States. We, however, steadfastly pursued our own independent, autonomous line.

The party devoted one entire plenum of the Central Committee to discussing the intensification of the diplomatic struggle. The resolution of the 13th Plenum of the 3rd Party Central Committee stated: "In the South, the military struggle and the political struggle are the main factors that will determine victory on the battlefield and lay the base for victory on the diplomatic front. We can only win at the negotiating table that which we have won on the battlefield. However, the diplomatic struggle is not simply a reflection of the struggle on the battlefield. Rather, in the current international situation and in view of the nature of the struggle between ourselves and the enemy, the diplomatic struggle plays an important, positive and effective role."

In keeping with this resolution, we continued to expand our activities on the diplomatic front with the aim of winning additional friends and reducing the number of enemies we faced on the basis of the national liberation front's platform. On the other hand, we launched a direct attack on the U.S. imperialists. Through slogans, we demanded an end to the U.S. bombing of the North and declared that Vietnam could enter into talks with the United States if the United States unconditionally ceased its bombing and every other act of war against the Democratic Republic of Vietnam. This legitimate demand brought heavy pressure to bear upon the enemy. Following the Mau Tan Tet general offensive and uprisings in 1968, the United States had to cease the bombing of the North and begin the process of de-escalation. We declared our willingness to sit down again with the United States in order to bring about the total and unconditional cessation of bombing of the North by the United States. As a result, on 1 November 1968, the United States was forced to totally cease the bombing of the North and participate in the Four Party Conference along with the National Front for the Liberation of the South. Besides the public Four Party Conference, secret negotiations between the United States and North Vietnam were held to truly end the war. At the conference table, we attacked the enemy on two basic issues: demanding the withdrawal of U.S. forces from the South and demanding that the United States truly respect the right of self-determination of the people of the South. This "fighting while negotiating" situation, which lasted for 4 years, contributed along with the military struggle and the political struggle to the implementation of our strategy of keeping the enemy in check and winning victory over them in the South and defending the North. At the same time, it had a strong impact upon the rear area of the United States, upon world opinion. In particular, it divided the ranks of the enemy and exacerbated the antagonisms between the United States and the puppets. The 4 years of "fighting while negotiating," together with the defeats of the United States in widening the war to Cambodia and Route 9-southern Laos, forced the United States to start bringing the war to an end.

The diplomatic struggle, having fulfilled its primary responsibility, led to the signing of the 1973 Paris Agreement. The Paris Agreement clearly

reflected all the victories won by our armed forces and people on the battlefield and created favorable circumstances for the complete liberation of the South in 1975.

#### Handling the Element of Time Well, Knowing How To Seize Opportunity

It has been in the interests of the powers that have invaded Vietnam to attack swiftly and quickly win victory. They could not fight a long war because, the more the war dragged on, the more they would have to deal with difficulties and antagonisms.

As for ourselves, in struggling against enemies whose material strength was overwhelming, we had to rely upon the just nature of our cause and a correct line. However, we also needed time to build our material forces and win the support of widespread public opinion. Time also had the effect of exacerbating the weaknesses of the enemy and showing public opinion the unjust nature of their actions and their crimes. But waging a long fight did not mean waging a "war of attrition." Together with the strategy of waging a long fight, it was also our policy to make every effort to win victory in the shortest possible amount of time.

In the process of waging this long fight, time was needed at the conclusion of each stage in the struggle to consolidate our victory and prepare for the next stage. In these cases, diplomacy was employed to bring about a period of detente.

When the August Revolution was successful and the revolutionary administration, still in its infancy, faced some 300,000 troops of four imperialist and reactionary countries that had agreed it was necessary to destroy the Vietnamese revolution, our party, headed by President Ho, set forth a clear-sighted and highly resourceful line: achieving detente with the army of Chiang Kai-shek and then signing the 6 March 1946 Preliminary Accord and the 14 September 1946 Provisional Treaty with France in order to achieve peace. During that temporary peace, we built and strengthened the administration and people's armed forces, wiped out the reactionaries who were serving as lackeys of foreign countries and expanded and strengthened the National United Front.

With the signing of the Geneva Agreement in 1954, we were able to maintain peace in the North until 1964. During those 10 years, we healed the wounds of the war, carried out socialist transformation and economic construction and strengthened our national defense capabilities. We acquired the assistance of the Soviet Union and other socialist countries, tightened our relations as allies with these countries, expanded our diplomatic relations with the nationalist countries and developed the international role and position of the first worker-farmer state in Southeast Asia. Chiefly as a result of the political, economic, military and diplomatic forces that were built during those 10 years, the socialist North was able to play the decisive role and supply manpower and materiel to the great frontlines in the South while winning victory over the air war of the United States in the North.

As part of making every effort to win victory in the shortest possible amount of time, we promptly seized upon favorable opportunities for advancing the revolution by leaps and bounds.

In May 1941, our party and President Ho predicted that World War II would end with the Soviet Union winning victory over Germany and Japan. On that basis, the party set the guideline of waiting for this opportunity to materialize, preparing forces and launching the general uprising to seize political power just as Japan surrendered and before allied forces arrived in our country.

In 1974, also on the basis of a penetrating analysis of the situation and a correct prediction of when an opportunity would arise, our party decided upon the strategy of winning complete victory for the national democratic revolution in our country. One very important question that had to be considered was whether or not the United States could return and intervene if we launched a general offensive and uprising. The diplomatic sector had the task of observing the situation and serving as the command staff so that the party could reach the conclusion that there was no sentiment in the United States for a second Vietnam. The United States was in the midst of a political crisis (the Watergate Affair), an economic crisis and an energy crisis. The United States would find it difficult to return. On the basis of this dialectical and scientific analysis, the general offensive and uprising of 1975 were launched and resulted in total victory.

During the war of resistance against the United States, we launched military and diplomatic attacks on the enemy during the years of U.S. presidential elections, which are times when the antagonisms among U.S. ruling groups become intense.

As part of making every effort to seize favorable opportunities, our party also made preparations to deal with the worst possible situations that might occur. In 1954, we were forced to accept terms that were not consistent with the comparison of forces at that time. Learning from experience, we made preparations for continuing to fight even in the worst possible case, namely, China betraying us in the fight against the United States and discontinuing its military aid. As a result, the Sino-U.S. collaboration reflected in the 1972 Shanghai communique and the pressure exerted by China did not force us to yield and we continued fighting until victory was won.

Through the two wars of resistance, especially the resistance against the United States, Vietnam became the symbol of bravery, intelligence and determination to struggle for independence and freedom. The international position and influence of the Vietnamese revolution were enhanced as never before. Our country now has diplomatic relations with more than 100 countries and many international organizations. Vietnam is a member of the United Nations and the Non-aligned Movement. Today, we are continuing to implement and develop the party's foreign policy line of combining the strength of the nation with the strength of our times and using foreign affairs activities to effectively support the work of building socialism and firmly defending the socialist fatherland.

# FOOTNOTES

1. Le Duan: "Duoi la co ve vang cua Dang, vi doc lap tu do, vi chu nghia xa hoi, tien len ganh thang loi moi"[Advancing Under the Glorious Banner of the Party To Win New Victories for Independence and Freedom, for Socialism], Su That Publishing House, 1976, p 38.

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## SOME FACTS AND FIGURES ON VIETNAM-SOVIET UNION ECONOMIC AND CULTURAL COOPERATION

Hanoi TAP CHI CONG SAN in Vietnamese No 11, Nov 85 pp 69-75

[Unattributed article]

[Text] In their revolutionary undertaking, our people have always received wholehearted support and generous, valuable assistance from the peoples of the Soviet Union and other fraternal socialist countries.

On 30 January 1950, diplomatic relations were established between Vietnam and the Soviet Union, thereby opening a new stage in the long-standing friendship between the peoples of our two countries.

In July 1955, President Ho Chi Minh led a delegation of our party and government on the first official visit to the Soviet Union. On 18 July 1955, the first trade agreement between Vietnam and the Soviet Union was signed.

During the years from 1955 to 1959, the Soviet Union helped Vietnam to restore and build 45 projects with the aim of overcoming the serious consequences of the 9-year war of aggression waged by the French imperialists and laying the foundation of the state economic sector. Included among these projects were some of important significance, such as the Hanoi Machine Works, the Tinh Tuc Tin Mine, the Lao Cai Apatite Mine complex, thermoelectric power plants in Lao Cai and Vinh, the Canned Fish Factory in Haiphong and a number of power stations, tea enterprises and other projects.

The Cultural Cooperation Agreement (signed on 15 February 1957) and the Scientific-Technical Cooperation Agreement (signed on 7 March 1959) between Vietnam and the Soviet Union helped to expand the relations between the two countries and created the conditions for the development of cooperation in all fields.

On 23 December 1960, before our country embarked on the first 5-year plan (1961-1965), the Agreement on Soviet Economic and Technical Assistance to Vietnam in National Economic Development in the Years 1961-1965 was signed.

During the years from 1961 to 1965, the Soviet Union helped us to build 43 major projects with a view toward carrying out the tasks of socialist

industrialization and building a multi-sector national industry. Within the fuel-energy sector, the Uong Bi Thermoelectric Power Plant and the Thac Ba Hydroelectric Power Plant were constructed and put into operation, thereby doubling our country's electric power output. Coal mining enterprises were restored and developed. In 1962, 3 million tons of anthracite coal were mined. The machine manufacturing sector was also built and developed. In addition to expanding and modernizing the Hanoi Machine Works, the Soviet Union also helped us to build numerous machine repair and spare parts enterprises. With the assistance of the Soviet Union, the road network was repaired and developed, the supply of means of transportation was increased and modernized and numerous warehouses were constructed. Within agriculture, many state farms were established and developed. A water conservancy system was constructed, thereby making an important contribution to intensive cultivation to raise crop yields in the Red River Delta. A number of agricultural product processing plants and enterprises came into existence.

Also during those years, the Soviet Union helped us to complete the construction of the Hanoi Polytechnic College--the largest and most modern college in Vietnam.

In 1965, as a result of the war of destruction of the U.S. imperialists, Vietnam's economy had to be shifted from a peace time to a war time footing. During this extremely difficult and violent stage, new agreements on Soviet assistance to Vietnam in developing the national economy and strengthening the country's defense capabilities continued to be signed. During the years from 1965 to 1975, the Soviet Union sent to Vietnam goods that were exceedingly necessary in the life of labor and combat of the Vietnamese, thus making important contributions to our people's fight against the U.S. imperialist aggressors.

On 18 December 1975, the agreement on Soviet assistance to Vietnam in the Construction of 40 projects in the fields of energy, the coal and chemical industries, the building materials industry, light industry, the food products industry, agriculture, communications-transportation and other economic sectors was signed. This agreement met the development needs of the two zones of reunified Vietnam. This agreement also provided for a new approach in the cooperative relations between the two countries: repayable technical assistance (in the production of tin and the cultivation of tea, coffee and a number of fruit and industrial crops).

With the assistance of the Soviet Union and other fraternal socialist countries, the restoration of the Hanoi-Ho Chi Minh City railroad line was carried out immediately after the South was liberated. The completion of this project in January 1977 made an important contribution to freight and passenger transportation.

On 3 November 1976, during a visit to the Soviet Union by a delegation of our party and government led by General Secretary Le Duan and Council of Ministers Chairman Pham Van Dong, the Treaty of Friendship and Cooperation between Vietnam and the Soviet Union was signed. This was an important event, one

that laid the foundation for the continued strengthening of the mutual assistance, fraternal friendship and comprehensive cooperation between Vietnam and the Soviet Union.

During the years from 1976 to 1980, the economic-technical cooperation between Vietnam and the Soviet Union was expanded. Construction was started on many major projects. In particular, during the years from 1981 to 1985, the Soviet Union has helped us to design, build, retool or complete many projects and cooperative undertakings, the largest of which are: the Hoa Binh Hydroelectric Power Plant on the Da River, which has a capacity of 1.92 million kilowatts; the Pha Lai Thermoelectric Power Plant, which has a capacity of 660,000 kilowatts; the Tri An Hydroelectric Power Plant, which has a capacity of 400,000 kilowatts; the Bim Son Cement Plant, which has a capacity of 1.2 million tons per year; the Go Dam Diesel Engine Works, which has a capacity of 100,000 horsepower per year; the Xuan Mai Concrete Housing Members Production Plant, which has a capacity of 100,000 square meters of housing per year; the Quy Hop Tin Plant, which has a capacity of 1,000 tons per year; the expansion of the Lam Thao Superphosphate Plant from 100,000 to 300,000 tons per year; the restoration and expansion of the Lao Cai Apatite Mine and the construction of an ore enrichment plant with a capacity of 1.8 million tons per year; the construction of several chemical plants and machine repair enterprises; the two Hoa Sen Earth Satellite Communication Stations; the Thang Long Bridge and the Workers' Cultural Palace in Hanoi; numerous projects in agriculture, the food processing industry, etc. The majority have been completed, put into use and begun producing economic returns. Several other projects are now being constructed on an urgent basis. At present, more than 200 projects constructed with the assistance of the Soviet Union are in operation within the various sectors of our country's economy. The production capacity that has been put on line consists of: the power sector: more than 500,000 kilowatts, 35 percent of power output; the coal mining sector: nearly 6 million tons per year, 95.2 percent of coal output; cement production: 1,200,000 tons per year, 50.5 percent of cement output; tin: 550 tons per year, 38 percent of tin output; apatite ore: 500,000 tons per year, 100 percent of output; the entire output of superphosphate, sulfuric acid and metal cutting machines; state tea, coffee and tropical fruit farms measuring 100,000 hectares... The Soviet Union has not only assisted us materially and technically, but has also sent thousands of its outstanding sons--highly zealous and experienced specialists--to work in our country.

During the years from 1976 to 1980, the volume of economic cooperation between Vietnam and the Soviet Union was nearly as large as the entire volume during the first 20 years of this cooperation (1955-1975). During the years from 1981 to 1985, the volume of economic cooperation doubled. According to projections, the volume of economic cooperation will double again during the years from 1986 to 1990 compared to 1980-1985.

Prior to 1975, the economic-trade relations between Vietnam and the Soviet Union took the form of the Soviet Union assisting Vietnam in the construction of projects and supplying goods to Vietnam through non-repayable aid and loans. Vietnam supplied to the Soviet Union a number of tropical agricultural products, handicraft art products, etc. After 1975, when the country of Vietnam was reunified, the economic-trade relations between Vietnam and the

Soviet Union entered a new stage and underwent extraordinary development through mutually beneficial commodity trade. During the years from 1981 to 1985, trade between our country and the Soviet Union doubled compared to the period from 1976 to 1980. In 1982, trade between the two countries exceeded 1 billion rubles for the first time. In 1984, trade amounted to 1,268,800,000 rubles. The Soviet Union has always been our largest trading partner. In 1984, trade between ourselves and the Soviet Union accounted for 63.3 percent of the total value of our country's foreign trade. The goods imported from the Soviet Union are of very important significance in our country's economic life. They provide 100 percent of our petroleum products, 90.9 percent of trucks, 81.2 percent of metal products and machinery, 68 percent of fertilizer...

The Soviet Union imports from us raw rubber, tin, tea, tobacco, salt, coffee, vegetables, fruit, clothing, rugs, etc.

On 6 December 1983, Vietnam and the Soviet Union signed, for the first time, a joint government agreement on cooperation in the production of vegetables and fruit in Vietnam for exportation to the Soviet Union. Under this agreement, Vietnam exported to the Soviet Union 70,400 tons of vegetables and fruit in 1984. On 20 January 1985, Vietnam and the Soviet Union signed the Agreement on Cooperation in the Production of Vegetables and Fruit During the Years 1986-1990. Under this agreement, the Soviet Union will help to build in Vietnam two agro-industrial combines specializing in the production and processing of pineapples, expand four canning factories and build or remodel five cold storage facilities and freezers, six vegetable and fruit drying and flash freezing enterprises and cardboard box production plants. On 19 April 1985, Vietnam and the Soviet Union signed the Joint Agreement on Cooperation in the Production of Raw Rubber in Vietnam Until the Year 2000. These are highly promising forms of cooperation designed to develop the potentials that lie in Vietnam's land and tropical climate by means of Soviet capital and technology.

The establishment of the joint enterprise for the exploration and development of petroleum and natural gas on the continental shelf in South Vietnam is a new direction, one that marks an important stage of development in Vietnam-Soviet cooperation. The exploration and development of petroleum and natural gas are of strategic significance in the development of Vietnam's economy. This work demands a large amount of capital and enormous amounts of technical equipment, which can only be acquired through cooperation with the Soviet Union. This exploration has yielded encouraging initial results and development is now under way.

Scientific-technical cooperation is one of the important factors in the overall cooperation between Vietnam and the Soviet Union. For more than 30 years, Soviet scientists, professors and teachers have been helping to train for Vietnam tens of thousands of highly skilled technical workers and more than 20,000 persons who have a college or post-graduate education, more than 3,000 of whom hold Master of Arts or Master of Science degrees and 70 of whom are Ph.D.'s. This corps of scientific and technical cadres is a precious asset in our country's revolution. Many of these persons have become outstanding economic leadership cadres. A number of others are teaching at



colleges or guiding scientific research efforts. Soviet scientists have not only been helping us in the training of scientific and technical cadres and the development of Vietnam's science, but have also been working side by side with Vietnamese specialists. During the years from 1981 to 1985, as part of the activities of the Permanent Subcommittee on Scientific and Technical Cooperation Between Vietnam and the Soviet Union, research projects were conducted in 88 matters and topics in 23 sectors of the national economy. Vietnamese and Soviet scientists have successfully carried out many important projects, such as projects in protecting power lines against lightning, the hybridization of high yield varieties of crops, the control of dangerous diseases, etc. The space flight by the international Soviet-Vietnamese crew of cosmonauts Gorybatko and Pham Tuan was an eloquent example of the effectiveness of scientific and technical cooperation.

The cultural cooperation between Vietnam and the Soviet Union has the aim of supporting the noble objectives of confirming the humanitarian principles of socialist culture, developing progressive, national cultural traditions and enriching the culture of each country. During the past 30 years and more, the forms of cooperation in this field have truly been diverse and pinnacles have been reached. In December 1982, "Soviet Culture Days" were held for the first time in Vietnam. In May 1985, in the Soviet Union, "Vietnamese Culture Days" were held. These days, which are festivals of Soviet and Vietnamese art, are brilliant expressions of the close and effective cooperation in the field of culture between the two fraternal countries. Recently, events of major significance occurred: the unveilings of the V.I. Lenin monument in Hanoi on 31 August 1985 and the cornerstone laying ceremony for the construction of the Ho Chi Minh monument in Moscow in June 1985. These are new, brilliant political as well as cultural expressions of the friendship and cooperation between Vietnam and the Soviet Union.

Recently, in late June 1985, on the occasion of an official visit of friendship to the Soviet Union by a delegation of our party and government headed by General Secretary Le Duan, the leaders of the two countries examined all aspects of the relations between Vietnam and the Soviet Union. The two sides concluded that the wide-ranging cooperation between Vietnam and the Soviet Union has made large contributions to the performance of the socio-economic tasks of each country. At the same time, they confirmed that the two countries will continue to constantly strengthen and intensify this cooperation and strengthen the bond of close friendship between the two fraternal countries. On the basis of the results that have been achieved in these relations of assistance and cooperation, in keeping with principles of Leninist socialist internationalism and in view of Vietnam's urgent needs, the Soviet Union has decided to increase its economic assistance to Vietnam during the years from 1986 to 1990.

Today, every citizen of Vietnam appreciates the tremendous importance of Vietnam-Soviet cooperation in their nation's revolutionary struggle. Every socio-economic field, every project, every product that is produced in Vietnam bears the imprint of this cooperation in some way. In keeping with their splendid tradition of "remembering the source when drinking the water," our people are always grateful to the Soviet people for their wholehearted support, their large and effective assistance in the construction and defense

of Vietnam. We will do our very best to constantly strengthen and develop the warm friendship that exists between Vietnam and the Soviet Union.

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## THE DIALECTICAL THINKING OF F. ENGELS AND ECONOMIC THINKING

Hanoi TAP CHI CONG SAN in Vietnamese No 11, Nov 85 pp 76-81

[Article by Hong Long commemorating the 165th anniversary of the birth of F. Engels]

[Text] Friedrich Engels (28 November 1820-5 August 1895) was one of the founders of scientific communism, a talented leader of the world working class, an eminent personality in the history of man and the confidant of Karl Marx. In fact, from the standpoint of each man's own personal traits, it is impossible to separate Marx and Engels in the cause of liberating the working class and laboring masses, in the revolutionary movement and the first assemblage of forces of the international proletariat during the second half of the 19th century or in each theoretical project that they undertook to awaken and open the way for mankind to the new world of men and women who are genuine, intelligent and creative.

One of Engel's extraordinary abilities was his dialectical thinking. He wrote: "It can be said that Marx and I virtually singlehandedly salvaged the conscious dialectic from German idealist philosophy and incorporated it in the materialist conception of nature and history."<sup>(1)</sup>

According to Engels, dialectical thinking is primarily the reflection of the dialectical processes of nature and society. Without the objective dialectic, there can be no subjective dialectic. And, the subjective dialectic, in each of its many manifestations and rich potentials, can only be the reflection of the objective dialectic. In Lenin's view, through dialectical thinking, the unity of the dialectic, awareness and logic bring to thinking infinite, creative possibilities and bring to the fore the very best of man's intellect in the process of conquering and transforming nature, of which man is only a part. Also in Engel's view, through dialectical thinking, the historical specificity and accuracy of thinking create the infinite variety and richness that are man's in the creative action he takes to make his own history within the dialectic of nature and society.

In science, and to some extent, in everyday life, man, if he knows the object that must be understood and engages in a process of serious thought, can

"spontaneously" arrive at the dialectic and dialectical thinking. This spontaneous development, however, is only a temporary, accidental and limited factor.

In the early years of his history, man's thinking was the thinking of the spontaneous dialectic. The ancient Greek philosophers, as observed by Engels, "were innate, spontaneous dialecticians" and "Aristotle studied the most basic forms of dialectical thinking." Centuries later, due to the demands of practice and science, man gradually learned how to deeply analyze things and phenomena in each of their elements. This analytical method was metaphysics. The metaphysical method at first held an important scientific position. It was subsequently viewed as representing absolute truth and assumed the distorted form of rigid, orthodox metaphysics.

The dialectic was perfected in the 18th and 19th centuries. Marx and Engels raised the dialectic and dialectical thinking to the level of a precise science. It is the "science of universal relationships," of man's recognition of the laws of development of nature, society and thinking.

Grasping the dialectic and cultivating dialectical thinking entail a process of recognizing and correctly addressing the dialectical antagonisms and dialectical consistency in the relationships between practice and theory, between sentiment and reason, among knowledge, understanding consciousness and realization, between the individual and society...

Man is born, grows up and lives within specific environments. From the perspective of the relationships mentioned above, the dynamism of thinking means the ability to perceive and probe reality by many different methods and through many different forms, unlock each secret of nature, discover the objective laws governing the movement of each thing and phenomenon and confirm the measures by which and the effectiveness with which man can, in accordance with objective laws, make an impact upon objective processes in order to transform nature to suit his desires. Each field of man's activities has become a different field of science, and the countless achievements that have been recorded to date attest to the enormous potentials that lie in the thinking, the intellect of man. Thinking can be divided into many different types, such as logic, imagination, empiricism and so forth but the most general form of correct and creative thinking is dialectical thinking, also called scientific thinking. The career and each project of Engels as well as his process of thinking, inquiring and discovering gave mankind living examples of dialectical thinking.

The economy is the field of activity that directly creates the material wealth of man, directly creates material wealth for man. In this field, man, in order to recognize those objects that are economic, applies dialectical thinking and, by so doing, discovers and applies economic laws and determines how to employ economic levers. The economy is complex and constantly changing. Without dialectical, scientific thinking, without the ability to apply this thinking, correct economic thinking and the ability to apply correct economic thinking are impossible. As in every other field of thinking, such as mathematics, art, psychology, history and so forth, economic thinking reflects characteristics that are common to the process of the

dialectical development of thinking, of dialectical thinking, but also reflects characteristics that are separate and distinct. Economic thinking is a part of thinking as whole. It reflects the processes and laws of the production and distribution of the material wealth of society through the dynamism of thinking applied to economic activities, in general, or the activities within the different specific fields of the economy, such as industry, agriculture, communications-transportation, home trade, foreign trade, banking, finance, prices...

The special nature of economic thinking stems mainly from the fact that it must be a concrete and accurate reflection of every economic factor, from minor factors to factors of major importance, because it is the economy that first and most directly determines the entire life of society.

Secondly, economic thinking must be sensitive to each change in economic realities, must apply dialectical thinking to analyze these objective economic realities in depth. We should not take the overly simplified view that the economy is a material entity and, on this basis, develop the exceedingly shallow and mechanical view that economic thinking is thinking that only relates to things material. The economy consists of activities involved in the production and exchange of the material means of life of society and is the synthesis of the relations among many persons, relations that are concealed behind very complex and constantly changing relationships between one material thing and another. Thus, economic thinking is thinking marked by constant sensitivity and flexibility. We also should not make the mistake of understanding the economy as something concrete and mistakenly maintain that economic thinking is the opposite of abstract thinking. Even that which is concrete is always a complex synthesis of many relationships. Consequently, to recognize and perceive the concrete, one must possess a profound capacity for abstract thinking. Economic thinking, therefore, is the ability to engage in abstract thinking; to perceive economic reality, is the ability to engage in realistic thinking.

Production and exchange are the two basic elements of the social reproduction process. However, the true picture of economic life is the combination of different complex relationships that exist not only under capitalism, but even under socialism and differ only in nature and substance as determined by the different modes of production. These objective factors are the essential conditions that economic thinking must take into consideration. Thus, economic thinking can only be effective and precise when it is dialectical thinking, when it is sensitive to these constantly changing relationships, relationships in which the activities of man only produce maximum results when he grasps those points in objective economic factors which were coincidental and useful in past periods that were limited in their duration and will never be repeated. Because, if he does not, he will only suffer irreversible setbacks.

Thirdly, the economy is the focal point of the struggle between the different modes of production, the focal point of the class struggle. Economic thinking, therefore, absolutely must reflect this bitter class struggle, even in affirming the dominant position occupied by correct thinking that scientifically reflects reality.

Nearly one century has passed since the death of Engels and the world has undergone countless changes. Today's generation not only sees the accuracy of Engel's scientific arguments on dialectical thinking, but has also come to see with increasing clarity the strong vitality that this scientific method of thinking brings to the real life of building the new social system, building socialist society.

We have recorded numerous achievements in the cause of building socialism. However, the system of bureaucratic centralism and subsidization, with its metaphysical thinking, conservatism and inertia, is a major obstacle to the forward progress of our country. The strongpoints of the principle of democratic centralism that led us to the achievements recorded in the preceding stage have not led to the creation of new factors and forms since the revolution entered its new stage, since economic construction, in general, became the priority of foremost importance. Instead, at certain times and places, this principle has been forcibly applied outside its domain, thus creating in our thinking the habit of viewing it as a "principle and unspecific" and the rut of "established precedence," thus preventing the correct incorporation of the teachings of the founders of scientific communism concerning even the most elementary concepts, such as the economy, commodities, value, labor, etc. In the new stage, the mutations and deviations in democratic centralism that were unrecognized and not promptly rectified during the years of the war evolved, without any difficulty, into bureaucratic centralism, into satisfaction with the achievements that have been recorded without recognizing the vivid and concrete realities of social life today or the legitimate demands and aspirations of the working people with regard to building the economy and improving the standard of living. All of the above mentioned economic weaknesses and deficiencies on our part have been linked to weaknesses, deficiencies and aberrations on our part regarding the methods of dialectical thinking and economic thinking and our ability to apply these methods. For this reason, cultivating the methods of and the ability to apply dialectical thinking and revising our thinking, beginning with our economic thinking, as presented in the resolution of the 8th Plenum of the 5th Party Central Committee, are urgent requirements in building and defending socialism, in general, and vigorously developing the economy, in particular, thereby bringing a new strength to real socialism.

Economic thinking that is very profound and convincing is based on real life itself... At present, economic thinking is the ability to analyze the conditions and specific economic factors of the country and find effective solutions with the aim of establishing a correct economic line, strategy and plan and establishing a rational economic structure and effective economic mechanism in order to, in the immediate future, correctly resolve the problems involved in improving the management system, gradually dismantling bureaucratic centralism and subsidization and shifting entirely to economic accounting and socialist business practices.

In economic activity, the concept "business" is understood in everyday usage in its narrow sense meaning "buying and selling." Even in this narrow sense, there are countless areas that are totally new to us, areas in which it is only through diligent research conducted through actions that are flexible and decisive that we can confirm which course is the most correct and effective,

which course will meet the vital needs of the laboring masses and benefit the cause of socialism.

In its broad sense, business is all economic activity and encompasses all processes from production to distribution, exchange and consumption. Of these processes, production and exchange are the most basic. As Engels said: "Production and exchange are two different functions... In each specific case, these two functions always limit and affect one another, so much so that these two functions can be called the abscissa and the ordinate of the economic curve."(2)

However, economic activity is a continuous process from production to distribution, exchange and consumption. In addition, each element of the production and reproduction process encompasses a series of complex factors, the horizontal and vertical relationships among which create the complete, diverse and real picture. None of these elements can be given light attention by us. If we do not clearly see the totality of these complex relationships, we cannot have a correct conception of business, be it capitalist business or socialist business.

In its fullest meaning, capitalist business is, to the capitalist class, the entire process of reproducing surplus value and insuring maximum profits; to the individual capitalist, it is the totality of the activities conducted by the bourgeoisie to realize the highest possible profits through those elements of the production and exchange processes that are best suited to them. Business is not only a capitalist economic category, but is also an economic category of socialism due to the nature of the reproduction process under conditions in which different economic segments and different divisions of labor still exist. Socialist business also demands that a profit be earned--although not simply for the sake of profit, but mainly because of the fundamental economic law of socialism. Vague concepts of socialism, which view socialism as the absolute opposite and the absolute negation of everything found in capitalism, including profits, value, commodities and so forth, and do not correctly put into practice the scientific predictions of Marx and Engels concerning the period of transition to socialism, have led to serious mistakes in economic activities. These mistakes have been concepts and metaphysical thinking that only acknowledge production and ignore all other elements of the production process; that isolate each factor of economic activity; that only acknowledge centralized planning and give light attention to the various economic levers; that view the plan as rigid and mechanical and deny the existence of commodities and value; or that view the plan as purely a production plan which, in reality, has none of the substance of an economic plan. In actuality, economic thinking based on the dialectic requires the recognition that, in business, in economic activity, accounting and the proper use of each economic tool are as natural as assessing the state of one's forces and making good use of these forces when fighting the enemy.

The capitalist learns to keep track of every penny when he is still a small-scale producer and economizes wherever he can so that he can become a capitalist. And, once he becomes a capitalist, he then learns, as a result of the scope of activity now under his authority, to make calculations on a larger scale and be much more efficient. For this, capitalism has definite

tools: finance, money, prices and wages. The skill of individual capitalists lies in their knowing how to use these tools. The existence and the strengthening of the positions of the capitalist system and the bourgeoisie are controlled by the law of surplus value. The economic thinking of the capitalist is the thinking of exploiting surplus value through every economic tool at his disposal with the aim of realizing maximum profit. As a reflection of capitalist economic thinking, capitalist business demands efficiency above everything else. This efficiency, however, is computed in terms of the surplus value accruing to the capitalist. When we remove from it the exploitation of surplus value, capitalist business is a very well calculated method of doing business, one that both seizes and relies upon economic tools, one that is alien to an administrative, bureaucratic style of business.

Thus, what is socialist business and what kind of economic thinking is practiced in socialist business? The economy of socialism is a planned economy based on the public and collective ownership of the means of production. Planning does not mean the absence of business practices, that accounting is unnecessary or that we only implement planning through a rigid centralized system by means of subjective norms handed down from above or through bureaucratic centralism and subsidization by means of a system of orders for goods and allotments. Planning reflects the superior nature and the new strength that belong to socialism, implements democratic centralism in the economy and establishes unity between the centralism of the state and the initiative and dynamism of basic economic units, with the laborer being the master of the economy. The implementation of economic accounting and socialist business practices is designed to make use of such economic tools and economic levers as investment capital, goods, money, prices, production costs, profits and the market. The economic thinking applied in socialist business must lead to dynamism in our calculations and actions, that is, we must know how to comply with objective laws and must make the plan the center of our operations but must also know and apply economic laws, especially the law of value and economic levers, in a way that is closely tied to commodity production with the aim of achieving high economic efficiency throughout the national economy. The ultimate objective of socialist business can be stated as economic efficiency achieved on the basis of the economic laws of socialism. This efficiency must be measured by the surplus value created during a given period of time. Without economic efficiency, there can be no surplus product. That is, if we only produce "food to eat" but not "food to set aside"--not to mention that we sometimes do not produce "enough to eat"--what we are doing cannot be called socialist business. The surplus product (m) is the most important requirement, is a strict law in each business activity under socialism, be it an activity that takes place on the scope of the entire economy, within a sector, a locality, a unit or collective or the activity of the individual laborer. The surplus product is the measurement of each economic activity, is the only basis for expanded socialist reproduction, is the only path that can be taken to implement the basic economic law of socialism. Engels himself said: "The surplus product over and above the costs of maintaining labor and the establishment and accumulation from the surplus of social production funds and reserve funds--all of these things have been and will always be the basis of all social, political and intellectual progress."(3)



Only by understanding socialist business in this way can we see that the change in direction away from bureaucratic centralism and subsidization to economic accounting and socialist business practices is a change of revolutionary significance, not only from the standpoint of the economy, but politically as well, not only for the economy, but also for all society and not only from the standpoint of the management system, but also from the standpoint of the structure of the economy and investment guidelines. It is a shift which not only demands that we renovate the economy, but also demands changes in those who perform economic work, beginning with revising our economic thinking.

The most basic and far reaching legacy bequeathed by Marx and Engels to mankind through their careers and each of their projects is the rich body of scientific knowledge that opened the way for the shift from "the realm of the inevitable to the realm of freedom" with the remarkable intellectual capacity of dialectical thinking. This legacy is dialectical materialism, the science of recognizing and transforming the world. As Lenin once said: "Applying the materialist dialectic to political economics in order to totally transform this field, applying it to history, to the natural sciences, to philosophy, to the policies and tactics of the working class--this is what Marx and Engels focused most of their attention upon; it was in this work that these two men made their most basic and innovative contributions. Herein lies the genius of Marx and Engels in the history of revolutionary thinking."(4)

#### FOOTNOTES

1. F. Engels: "Anti-Duhring," Su That Publishing House, Hanoi, 1971, p 14.
2. Ibid., p 249.
3. K. Marx-F. Engels: "Collected Works," State Political Books Publishing House, Moscow, 1961, Volume 20, p 199.
4. V.I. Lenin: "Marx-Engels--Marxism," Su That Publishing House, Hanoi, 1959, p 59.

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## ANGOLA: 10 YEARS OF BUILDING AND FIGHTING

Hanoi TAP CHI CONG SAN in Vietnamese No 11, Nov 85 pp 82-84

[Article by Ho Bat Khuat]

[Text] On 11 November 1975, under the leadership of the Popular Movement for the Liberation of Angola (MPLA) and following decades of steadfast, brave struggle, the people of Angola won their independence. The free and independent People's Republic of Angola was born. Together with the revolutions of Ethiopia, Mozambique and other countries in Africa, Asia and Latin America, the success of the Angolan revolution dealt a heavy blow to colonialism's collapsing system of colonies. In the autumn of 1976, the 3rd Plenum of the MPLA set the strategic tasks of the revolution as building Angola into a country of independence, freedom, unity and democracy and advancing to socialism. At that plenum, revolutionaries, led by A. Neto, publicly announced for the first time the MPLA's close ties to scientific socialism, to Marxist-Leninist doctrine. The MPLA asserted that socialism is the only course capable of helping Angola extricate itself from dependency upon imperialism and its underdeveloped economic state.

After Angola won political independence, the class struggle in this country became intense. Facts showed that the Angolan revolution could not carry out its strategic tasks if the MPLA continued to exist only as a national liberation movement. The need to build a working class party that takes the stand of the working class and is capable of leading the struggle to build the new, socialist society became an urgent need. From 4 to 10 December 1977, the 1st Congress of the MPLA was held in the capital Luanda. At that historic congress, the MPLA became the Labor Party--the Marxist-Leninist party of the Angolan revolution.

Angola, which is one of the richest countries in Africa, has large potentials in agriculture and many valuable minerals, such as petroleum, diamonds, gold, silver, copper, iron and so forth in large reserves. As a result, for many Western capitalist countries and the United States, Angola held the allure of lucrative profits. Former U.S. Secretary of State Kissinger once said: "Angola is the African country in which the interests of Washington are most significant." Therefore, when the Angolan people truly became the masters of their country and turned their hands to building the national economy, the imperialists and reactionaries were exceedingly bitter. They frantically

resisted in every way possible: by committing outright aggression, by inserting spies and commandoes to carry out sabotage, by waging psychological warfare to sow internal divisions, by imposing an economic embargo, by generating political and diplomatic pressure... In addition, before they were forced to flee, they created very many difficulties for Angola: factories, enterprises and workshops were sabotaged; machinery and equipment were dismantled and taken away; technical cadres and skilled manual workers were forced to leave the country; 80 percent of all means of communication and transportation were destroyed; 130 bridges were demolished; coffee and cotton plantations were devastated... Through these criminal actions, the imperialists and reactionaries hoped to slow the progress of the Angolan revolution. However, the people of Angola never lost their confidence and the Angolan revolution has continuously developed.

Under the leadership of the MPLA-Labor Party, widespread reforms were successfully carried out in all fields of the economy, culture, politics and ideology. The Angolan government took over the management of the factories, enterprises and plantations of the colonial owners who fled in order to maintain production. Then, Angola nationalized oil production facilities, mines, factories, enterprises, banks and farms in order to lay the basis for building an independent national economy. In only a short amount of time, the people of Angola, through enormous efforts and a spirit of diligent labor, gradually stabilized the country's economy: factories, enterprises and workshops reopened and began supplying essential goods to support production and the consumer needs of the people. Petroleum is a strategic natural resource that plays a very important role in the national economy. In 1979, Angola produced 10 million tons, 2 million more tons than in 1974, the year of peak petroleum production before independence was won. In 1985, according to an estimate made by the "Sanagon" National Oil and Gas Corporation, oil production will double compared to 1983 and reach 25 million tons. Nearly 80 percent of Angola's petroleum output is exported to earn foreign currency and help the developing countries solve their energy problem. The areas that were devastated in the war have now become green again. Agricultural production, forestry and fishing are being strengthened and accelerated. In the restoration and development of the Angolan economy, the countries of the socialist community have provided large and valuable assistance: the Soviet Union has provided assistance in the form of machinery, technical equipment and specialists in many fields; Cuba has assisted in the cultivation of sugarcane; the GDR has provided assistance in livestock production; Bulgaria has assisted in the establishment of agro-industrial combines; Vietnam has provided assistance in the cultivation of rice...

In the fields of culture, public health and education, Angola has also achieved good results. It has begun to build a new culture. Through cultural exchanges, the various tribes within the country have grown closer together and the Angolan people have come into contact with progressive cultures of the world. Today, the people of Angola receive free education and health care.

During the past 10 years, Angola has enjoyed virtually not one day of true peace. South Africa's undeclared war against Angola began immediately after the Angolan people won their independence. Since then, the army of the South African racists has attacked Angolan soil more than 3,000 times. Some of

these have been large-scale attacks that have inflicted serious losses on Angola. For example, in December 1980, they attacked the four provinces of Cuando-Cubango, Cunene, Mocamedes and Huila, killing or wounding more than 5,000 civilians, destroying dozens of schools and hospitals and causing damage in excess of 7 billion dollars. Since 1981, in addition to occupying a number of areas in southern Cunene Province, they have conducted bloody sweep operations and mounted artillery and air attacks on many of Angola's cities and villages. Recently, the South African racist administration sent mobile units supported by aircraft some 190 kilometers into Angolan territory to attack a number of large areas. Supported by weapons and dollars from the United States, two reactionary organizations, the "National Front for the Liberation of Angola"(FNLA) headed by the CIA spy Roberto Honzel, and the "National Union for the Total Independence of Angola"(UNITA) headed by Savimbi (who received military training in China in 1964), have carried out many acts of harassment and sabotage to impede the advances being made in the economic, political and social life of the People's Republic of Angola.

Realizing in advance that the imperialists' bellicose and obstinate nature would lead them to collaborate with the reactionaries in a bitter counter-attack, Angola's revolutionary leadership made preparations to deal with them. The slogan "the fight continues" was adopted immediately after independence was won. The People's Armed Forces for the Liberation of Angola (FAPLA), standing shoulder to shoulder with all the people, have fought with bravery and resourcefulness. They have repulsed thousands of attacks, killed tens of thousands of South African aggressor forces, shot down hundreds of aircraft and destroyed many modern means of war supplied to South Africa and Angolan reactionary organizations by the United States and a number of Western capitalist countries. Despite suffering continuous defeats, the bellicose and exceedingly reactionary Pretoria administration has, with the assistance and encouragement of the U.S. imperialists, have continued to insanely attack Angola in the hope of opening a "corridor" in the East through which the UNITA bandits can conduct operations and go into hiding. Together with military activities, they have also intensified their political and diplomatic pressure and strengthened their economic embargo in a vain attempt to cripple Angola. In the face of this situation, the MPLA-Labor Party enacted several emergency programs to mobilize all units of the armed forces to maintain combat readiness and fight well and mobilize all workers and farmers to work hard and efficiently for the sake of the survival of the fatherland. The year 1984 was the "year of national defense and production." The MPLA-Labor Party made the following appeal: "To advance by the path we have chosen--building socialist society--many more products must be produced." This appeal was met with enthusiastic response on the part of all of Angola's laboring people. In December 1984, President dos Santos observed that much progress had been made under the emergency programs: production had been accelerated, total output had been significantly increased and political security had been firmly maintained. In the capital Luanda, more than 150 enterprises met and exceeded plan quotas. In the fight to defend the fatherland, the People's Armed Forces for the Liberation of Angola killed nearly 2,000 FNLA and UNITA bandits and forced 1,500 to surrender between June and December 1984.

In foreign affairs, Angola is a reliable member of the national liberation movement and the Non-aligned Movement. Concerning Africa, Angola has

frequently confirmed its solidarity with the people of Namibia, the South-West African People's Organization (SWAPO) and the African National Congress (ANC) in their just struggle. The international position and prestige of Angola have been steadily enhanced. In Luanda, the capital of Angola, an important event took place between 4 and 7 September 1985: the Conference of Foreign Ministers of the Non-aligned Countries. Along with the other member countries of the Non-aligned Movement, Angola is making positive contributions to the struggle against imperialism and colonialism, the struggle for peace, national independence, democracy and social progress.

We Vietnamese have been following the revolutionary developments in the country of Angola with feelings of profound empathy and derive inspiration and a feeling of pride from the victories won by the Angolan revolution. On the occasion of the 10th anniversary of the People's Republic of Angola, we send to the people of Angola our warm feelings of affection and wish the fraternal people of Angola many larger victories in their noble revolutionary cause.

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## CHINA: THE CONSEQUENCES OF THE "OPEN DOOR" POLICY

Hanoi TAP CHI CONG SAN in Vietnamese No 11, Nov 85 pp 85-88

[Article by Phuong Son]

[Text] Some 700 years ago, a European named Marco Polo "discovered" China, thereby "opening the door" to China for Western invaders to plunder China and exploit and kill Chinese. It was not until centuries later that the people of China's ethnic groups, having shed much of their blood, were able to drive off the foreign invaders and close the door to China once again.

Seven years ago, the "door" to China was "opened" again! This time, it was not opened by Westerners, but by a Chinese. His name is Deng Xiaoping.

In late 1978, immediately after he rose to power in the Zhongnanhai, Mr. Deng announced his "open door" to the West policy. What is the objective of Mr. Deng's "open door" to the West policy? It is to acquire capital and technology from the Western countries in order to carry out the "four modernizations," thereby making China a "first-rate superpower" and making the dream held by the "sons of god" of ruling the world a reality.

In the 7 years that have elapsed, what results has Mr. Deng's "open door to the West" policy produced?

As foreigners, we have not been able to learn very much about the results achieved by China under their "open door" policy. Because of the secrecy involved, this is especially true with regard to results achieved in the military field. But, this field is the foremost concern of Chinese authorities. Is not the modernization of national defense foremost among the "four modernizations"? However, even in this field, we have, through the Western press, been able to learn the following:

First, China has "opened its door" to the establishment by the United States of two U.S. military spy stations on Chinese soil to observe nuclear weapon and intercontinental ballistic missile tests of the Soviet Union. These two stations were previously located in Iran. After the Shah of Iran was toppled, the United States was forced to remove these stations from Iran and move them to China.

Secondly, China has "opened its door" for the Western countries to store atomic wastes on Chinese soil, thus turning China into the "atomic dumping ground" of the Western countries.

Thirdly, China has "opened its door" to receive 6 million dollars in heavy artillery rounds from the United States (this is only the first phase of deliveries) in order to build up China's supply of artillery rounds, which has been depleted by the attacks on Vietnam's border provinces, especially on Vi Xuyen, a district into which China has fired millions of heavy artillery rounds.

This is not to mention that China has "opened its door" to tens of thousands of trips by American generals and admirals to Beijing to discuss U.S.-Sino military collaboration against the Soviet Union, Vietnam and the other socialist countries.

From an economic standpoint, China has "opened its door" to a flood of unmarketable goods from Japan, the United States and the other capitalist countries, thereby turning China into a major market of international capitalism. Goods of inferior quality that the capitalist countries cannot sell to one another are sold to China. Japan's Mitsubishi Corporation has reported that it sold to China 824 defective trucks (cracked frames, broken gear boxes). Trade between China and the capitalist countries accounts for more than 90 percent of China's total foreign trade. Meanwhile, trade between China and the Soviet Union and other socialist countries, which once accounted for as much as 70 percent of China foreign trade, now amounts to only about 7 percent. In actuality, China has merged with the world capitalist economy.

Mr. Deng has "opened the door" for capitalist countries to invest and do business in many of China's major cities. The areas in which capitalist countries have been allowed to invest and do business encompass more than 200 million citizens of China. China has planned the establishment of 14 "special economic zones," four of which are already in existence, the most famous being the Shenzhen "Special Zone." These "special zones" are actually new style "international concessions" in present day mainland China.

The infiltration of Japanese and Western capitalism has drawn China into capitalist development. The Chinese press has reported that some 200,000 new corporations and trade centers were established in China in 1984 alone. Of this number, 6,594 were established in Beijing, 8,067 in Liaoning and 1,172 in Harbin. These "corporations" and "trade centers" practice the capitalist style of business. Practically all of these "corporations" and "trade centers" are in the hands of influential persons or their wives and children. These persons seek trade with foreign countries in order to make money for themselves. The Chinese press has reported on numerous "black marketing" cases, most deserving of attention among which was the "Hainan Island affair."

From 1 January 1984 to 5 March 1985, the authorities on Hainan Island (Guangdong Province) purchased from foreign countries 89,000 automobiles, 2,860,000 color television sets, 252,000 cameras, 122,000 motorbikes and many luxury consumer goods and then sold them to other localities in China at prices three times higher than they paid in order to make a profit for

themselves. Even the deputy secretary of the party committee and the chairman of the administrative committee of Hainan Island participated in this black marketing. Some 872 corporations and 88 public offices in various localities of China also participated. Bankers accepted bribes from the black marketers to loan them money to buy foreign currency worth 570 million dollars. The deputy director of a television manufacturing enterprise purchased 1 million dollars and earned a profit of 200,000 yuan. A party committee member was given 30,000 yuan by another person for having loaned this person the money for this undertaking. In the black marketing case on Hainan Island, many persons made more than 1 million yuan. One state farm worker made 2.09 million yuan. HAINAN DAILY Newspaper made 4.3 million yuan. The Western press estimated that as much as 1.5 billion dollars were pocketed by the persons who participated in the black marketing affair on Hainan Island. All of this took place in just one small, backward area. The volume of "business" is surely much larger at other places, places that are larger and more "advanced." Day after day, the Chinese press has been reporting on cases of black marketing and corruption involving cadres who hold positions that they have been able to misuse due to their contacts with foreigners. Some cases, such as the production and marketing of fake goods in Zhanjiang, have been supported and covered up by the local organization of the communist party.

As regards culture and ideology, China has "opened its door" to the corrupt ideology and culture of international capitalism, which have inundated the country and caused "spiritual pollution." Pornographic and decadent books, magazines and films of the West are in widespread circulation. The Chinese press recently reported on a high ranking party cadre in Yunnan Province who used public funds to buy pornographic films smuggled in from a foreign country. The refuse of Western culture has inundated China. On 19 October 1985, Japan's Kyoto News Agency reported: "China is currently awash in lewd films and pornographic pictures."

From the standpoint of social attitudes, the infiltration of Western capitalism into China has encouraged the thinking that "money is everything," encouraged the "worship of money" among the cadres and people of China. In its 1 October 1985 issue, PEOPLE'S DAILY wrote: "It must be recognized that the results we have achieved in our effort to build the socialist civilization to date have not been ideal, bourgeois and feudal poisons have still not been reduced to the lowest possible level and even some ugly phenomena that disappeared after the liberation have now reappeared."

The progress report of the Chinese government at the 3rd session of the 5th National Assembly on 27 March 1985 acknowledged: "In the recent past, unwholesome phenomena, such as misusing one's public position and authority to engage in black market trade in scarce materials, holding lavish banquets, making frequent gifts, offering and accepting bribes and so forth, have been on the rise."

The chairman of the Central Discipline Control Commission of the Communist Party of China, in a speech at the 24 September 1985 plenary session of this commission, acknowledged: "Whenever we talk about opening the door to the outside and bringing new vitality to the country, agencies of the party, government and army and party and government cadres as well as their children



vie with one another in a rush to go into business. An investigation conducted in only a handful of provinces and municipalities showed: in only a very short period of time, since the 4th quarter of last year, more than 20,000 companies of various kinds have been established. The majority of these companies are involved in unlawful businesses based on ties with elements who operate outside the law and with foreign businessmen. Very many improper practices have arisen, such as taking advantage of loopholes in the reforms that have been enacted to earn a commission as a middle man and practice fraud; accepting and offering bribes; sending illegal goods overseas; earning a living dishonestly and using one's influence to make money; evading and cheating on taxes; producing and marketing fake drugs and fake liquor; and devising schemes to become rich and famous. These phenomena even include such things as selling and showing decadent and pornographic films. The corrupt capitalist thinking of "everything for money" is seriously eroding the style of the communist party member and our social manners."

"Opening the door" to the West and the influx of international capitalism have unleashed within China a movement to go into business and make money. Feeling that "the road to riches lies in trade," everyone is looking for a way to go into business, go into trade to earn maximum profits. Farmers are no longer interested in raising cereal grains and have even stopped raising hogs and vegetables to do other things that bring them much more money. Many persons in China see this as a grave danger. They maintain that a shortage of cereal grains will lead to social unrest. Advancing the theory that "grain shortages lead to unrest," they have called for greater emphasis on agricultural development. The "road to riches lies in trade" faction and the "grain shortages lead to unrest" faction are locked in bitter struggle.

The "open door" to the West policy has split China's society into many separate and competing segments and, at the same time, divided the Communist Party of China internally. The consequences of Mr. Deng Xiaoping's "open door" to the West policy have greatly harmed the people of China and the genuine communists in China.

Where will Mr. Deng Xiaoping's "open door" policy lead China? We need not wait for the next "act"--everyone already knows where.

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Cover Pages

Hanoi TAP CHI CONG SAN in Vietnamese No 11, Nov 85 Inside Back Cover, Outside Back Cover

[Text] Inside Back Cover

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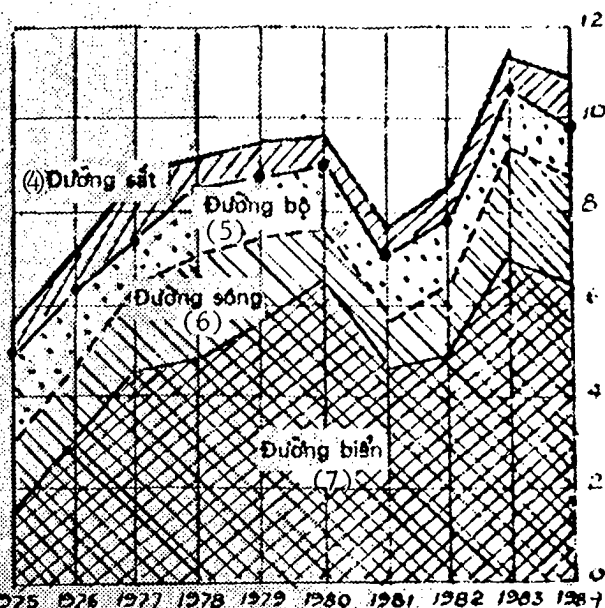
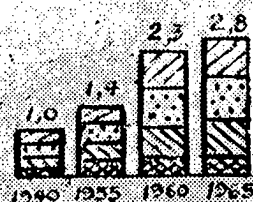
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2. Freight transported
3. Billions of ton-kilometers
4. Rail transport
5. Highway transport
6. River transport
7. Sea transport
8. Passengers transported
9. Billions of person-kilometers
10. Water transport
11. Highway transport
12. Rail transport

[see chart following page]

# (1) VẬN TẢI

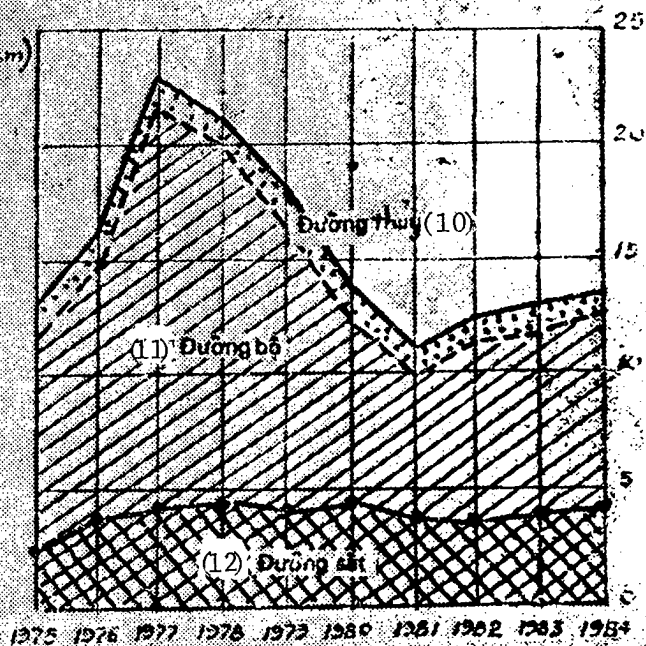
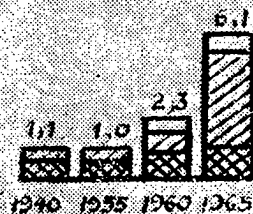
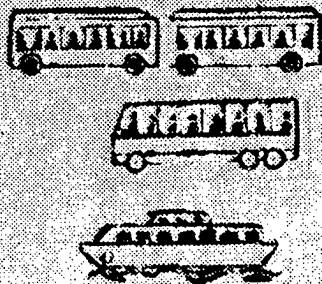
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# (8) KHỐI LƯỢNG HÀNH KHÁCH LUÂN CHUYỂN

(9) (Tỷ người.km)



## Outside Back Cover

"Forever Enduring and Strong--Vietnam-Soviet Union Solidarity and Comprehensive Cooperation" [these words appear below a drawing, in red and white, by Tran Mai depicting two young male workers, one Soviet, one Vietnamese, standing side by side facing each other. The two workers are dressed in similar overalls, workshirts and caps. With one hand, each is holding an edge of a piece of paper. The paper extends from the left to the right hand margins of the drawing. In the center of the drawing, along the right hand margin, the paper turns upside down and becomes a red road. This red road extends upward in an arc through the center of the drawing. The road is divided by a white, dotted line. In the bottom lane of this road is a large white star. In the upper lane are a small white star and a white hammer and sickle. All of the above is set against the background of oil rigs and a power plant drawn in stipple.]

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END

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